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ALASKA FISHERIES

HEARINGS

BEFORE THE

SUBCOMMITTEE OF THE COMMITTEE ON FISHERIES UNITED STATES SENATE

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SIXTY-SECOND CONGRESS

SECOND SESSION

ON

S. 5856

A BILL TO AMEND AN ACT FOR THE PROTECTION AND
REGULATION OF THE FISHERIES OF ALASKA

Printed for the use of the Committee on Fisheries

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1912

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ALASKA FISHERIES.

THURSDAY, APRIL 11, 1912.

UNITED STATES SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON FISHERIES,
Washington, D. C.

The subcommittee met at 2.30 p. m.

Present: Senators Jones (chairman), Bourne, and Overman.

Also appeared: Messrs. Zera Snow, of Portland, Oreg.; Dr. Barton W. Evermann, chief Alaska fisheries service; and F. M. Chamberlain, Alaska salmon agent.

The CHAIRMAN. At the beginning of the proceedings I desire to have made a part of the record a letter from the Department of Commerce and Labor in regard to the bill under consideration, which is S. 5856, a bill to amend an act for the protection and regulation of the fisheries of Alaska.

The letter is as follows:

DEPARTMENT OF COMMERCE AND LABOR,
OFFICE OF THE SECRETARY,
Washington, March 27, 1912.

HON. W. L. JONES,

Chairman Committee on Fisheries, United States Senate.

SIR: I have the honor to acknowledge receipt of your letter of March 19, inclosing a copy of Senate bill 5856 and inviting suggestions in connection therewith.

The three principal points concerning which there may be questions are, in the opinion of the department, the following:

1. The rate of taxation.
2. The time limit set for the annulment of the present law covering the operation of private hatcheries.
3. The time limit set upon the continuance of the manufacture of oil and fertilizer from food fishes.

Rate of taxation.—In the act of 1906 the tax on the principal fishery product, canned salmon, was established at 4 cents per case, in lieu of all other taxes. It is presumed this rate was based on a consideration of the taxes assessed on the various other industries of the Territory, on the value and cost of the canned salmon product, and in view of the incident of a rebating clause whereby the salmon packers could directly divert this tax to the peculiar benefit of their industry by the establishment of private salmon hatcheries. The average price of canned salmon in 1905, the season preceding the passage of the existing law, was, reds, \$3.38, and pinks, \$2.95 per case. The total pack of all species was 1,894,516 cases, valued at \$6,304,671, an average of \$3.32 per case. In 1911 reds averaged \$6.33 and pinks \$3.94, an advance of 87 per cent and 33 per cent, respectively, over 1905 prices. The total pack was 2,823,817 cases, valued at \$14,593,237, or an average price of \$5.16 per case. This is an increase of 55 per cent in average value, largely, if not wholly, absorbed by the increased cost of production.

In 1911 there were used in the Alaska fisheries 157 traps, 37,526 fathoms of purse seines, and 161,675 fathoms of haul seines and gill nets. These, at the taxes named in the bill, would cost the operators \$15,700 for traps, \$11,257 for purse seines, and \$1,616 for other apparatus, a total of \$28,573, an amount equal to nearly 25 per cent of the present tax paid.

Under the present rates of taxation the estimated total amount of taxes payable on the 1911 pack is \$116,332. Under the schedule proposed in the bill under consideration this would be raised to a total of \$260,645, an increase of 124 per cent over the present tax, while, as shown above, the value of the chief product, canned salmon,

has increased only 55 per cent since the existing rates were established. It appears from these figures that the proposed tax is far in excess of the advance in the value of the product, and it must follow either that the rates established by the act of 1906 were much too low or that the proposed rates are much too high. If this rate is determined in view of the possibility of the relief presumed to be available to the packers through the operation of private hatcheries, it can readily be shown that the total cost of producing salmon fry, including the capital invested in the plants, deterioration, cost of operation, etc., exceeds the rebate allowed, even under favorable conditions enjoyed by large capital, while in the case of the small packer, operating with a limited capital, the cost of conducting a hatchery is prohibitive. Moreover, the bill carries a provision to discontinue these private hatcheries within a period which may entail a greater or less loss of the capital invested in them.

The tax on apparatus is of value beyond the mere effect of raising revenue, in that it affords to a degree a means of controlling the use of various kinds of gear; but the tax on the canned product is purely a matter of revenue, the assessment of which is a matter of equitable adjustment among the various industries of the district so that the development and prosperity of none may be unduly burdened.

Attention is invited to the fact that the tax on fish oil contains no exemption for oil made from waste species or offal. The use of such species as sharks and dogfish and of offal in the manufacture of oil and fertilizer is of benefit to the fishing industry in general, and any encouragement of such use by relief from taxes would seem to be commendable.

Time limit provided for operation of private hatcheries.—The hatcheries at present operated under the provision for rebate on the pack tax for the release of fry have been established at large expense in some instances and are filling a requirement in the perpetuation of the supply of salmon. In the event of the almost immediate revocation of this rebate at proposed in the bill, this investment would become a total loss to the companies. Any advantage to the industry resulting from the continued operation of such hatcheries by their present owners after the revocation of the rebating provision would be shared by all the packers, those not contributing to the expense as well as the operators. Any share of an increased run due to the output of fry which might fall to the operators of these hatcheries would not alone justify their expenditures. A continuance of the present law for a term that would permit the established equipment to be more or less fully utilized, with the understanding that at the end of such term the rebates will cease, would minimize this loss, and it is suggested that not less than three years be allowed for such adjustment. A preferable and equally equitable arrangement would be to have the existing private plants transferred at a fair valuation to the Federal Government with provision for their continued operation.

Limitation of the use of food fish for fertilizer and oil.—In the last few years an impression has become fixed that the use of herring for the manufacture of oil and fertilizer is wrongful waste of a food product, and that by such use the supply of this fish is endangered. At present the department is not in possession of statistics which fully prove serious depletion of the supply of herring. The supply of herring in a given locality is known to be subject to periodic fluctuations. They may be abundant in a region for years and then practically disappear for several seasons, later to return in the former abundance. Local influences may at times prevent their inhabiting particular regions, for example, the discharge of offensive wastes into the waters. In any event a reasonable concession to invested capital, when harm from the continuance of its activity is not clearly demonstrable, would appear to be an equitable consideration. There is at present but one plant for the manufacture of fertilizer from herring in Alaska. Any law requiring such manufacture to close at a set time, even several years hence, would probably prevent the establishment of new plants, while the longer the term permitted the less the hardship on the invested capital.

Respectfully,

CHARLES NAGEL, *Secretary.*

The CHAIRMAN. Mr. Zera Snow, of Portland, Oreg., is here and would like to present his views in regard to a particular phase of the bill under consideration.

Senator BOURNE. At the top of page 14, section 9, is the section of the bill which affects the interests of Mr. Snow, who appears before the subcommittee:

SEC. 9. That it shall be unlawful for any person wantonly to waste or destroy salmon or other food fishes taken or caught in any of the waters of Alaska, and the utilization of any part of food fishes, other than the offal and waste thereof from establishments preparing fish food products in the manufacture of fertilizer or fish oil shall, after January 1, 1914, be regarded as such wanton waste.

The CHAIRMAN. Mr. Snow, the committee will hear such suggestions as you may have to offer with reference to any features of the bill under consideration.

STATEMENT OF MR. ZERA SNOW, OF PORTLAND, OREG.

Mr. SNOW. Mr. Chairman and gentlemen of the committee, I should like to file with the committee a pamphlet prepared by the president of the Alaska Oil & Guano Co. This pamphlet goes into the question of the herring industry alone, as he understands it, and is based upon a protracted series of years of experimentation and work in Alaskan waters. The pamphlet was prepared in December, 1910, for presentation to a House committee which had this matter in charge at the first session of the Sixty-second Congress under a bill which provided, among other things, for quite a severe taxation of this enterprise, so that a part of this pamphlet was directed to that subject, and that part I will omit, as the subject of taxation is no longer a factor in the present bill. With that statement in preface I should like to offer this statement to the committee.

The CHAIRMAN. We will be glad to make that a part of the record.

The statement is as follows:

STATEMENT OF THE ALASKA OIL & GUANO CO., TOUCHING THE ALASKAN FISHING INDUSTRY AND THE PROPOSED LEGISLATION INCREASING TAXATION OF THE INDUSTRY, AND THE RECOMMENDATIONS FROM THE DEPARTMENT OF COMMERCE AND LABOR MAKING UNLAWFUL THE USE OF EDIBLE FISH FOR THE MANUFACTURE OF OIL AND GUANO, PREPARED BY THE PRESIDENT.

THE PROPOSED BILL BY THE DEPARTMENT OF COMMERCE AND LABOR, MAKING UNLAWFUL THE USE OF EDIBLE FISH FOR THE MANUFACTURE OF OIL AND GUANO.

Section 9 of the present bill contains a provision making it unlawful after January 1, 1914, to utilize any part of any food fish, save the offal and refuse thereof, in the manufacture of fertilizer or fish oil. This proposed bill is doubtless based upon a report made by the Bureau of Fisheries in 1909, Document No. 730, recommending this character of legislation. Inasmuch as the Alaska Oil & Guano Co. is the only company engaged in the manufacture of oil and guano in Alaska, it is presumed that this legislation is especially directed to the business of that company. The proposed legislation comes not as the result of any scientific investigation or inquiry touching the herring or the herring industry, and believing that it is made without a proper appreciation of that industry, I present this statement in behalf of my company, premising same with a history of our organization.

The Alaska Oil & Guano Co. was organized under the laws of Oregon in the year 1889 to exploit the fishing industry of Alaska, but chiefly the catch of herring in Alaskan waters, and the utilization of this fish commercially either as an edible fish or for the manufacture of oil and guano. There is invested in an appropriate plant of the company for this purpose in the neighborhood of \$100,000 and more recently, and beginning in the year 1909, there was installed new, modern, and improved machinery and appliances for its business, at an expense of between \$11,000 and \$12,000. This plant is located at Killisnoo, on Admiralty Island. The company was organized from the wreck of the Northwest Trading Co., a commercial organization organized in the year 1880 for the exploitation of the commercial and other industries of the Territory of Alaska. This old company established at Pyramid Harbor, in southern Alaska, the first fish cannery in the district, its efforts to exploit the salmon fishing industry being the cause of its downfall. It suffered as the pioneer usually suffers in efforts to exploit pioneer territory. Many of the stockholders of the present Alaska Oil & Guano Co. were stockholders in this older company, and the present organization is an effort on the part of its larger stockholders to recoup the losses usually falling upon the head of the pioneer. The older company having failed in its commercial enterprises and efforts at exploiting the salmon industry, the new or present company undertook the development of the herring industry, and while the chief business of the present company is the catching of herring and the use of the fat in that fish for the manufacture of oil, the pulp being converted into guano, continually since our organization

more or less experimentation has been made to determine the commercial value of the herring as a food fish. The fact that this company has found it necessary to continue its business in the manufacture of oil and guano in preference to the use of the herring as a food fish, is the best evidence that the Alaska herring is not practically an edible fish from a commercial standpoint.

Our annual herring catch is approximately 40,000 barrels of 200 pounds to the barrel, and the manufactured product therefrom has been for a number of years past approximately 1,000 tons of guano and 3,500 barrels of oil of 50 gallons to the barrel. In the earlier years of our industry the value of our guano product was not widely known. It has taken years to educate the agriculturist to an appreciation of its value. In the earlier years of our business, likewise, the market for oil was limited. Freights were high both in and out of Alaskan territory, and it is only within the last three or four years that the value of the products of this company have become known and appreciated and the business become fairly successful. Our guano product has been used successfully in the orange groves of California and the sugar fields of the Hawaiian Islands, and elsewhere. All our product is marketed on the Pacific coast to dealers who themselves distribute. Each year this company is seeking to enlarge the field of experimentation with its product, and more recently for that purpose samples of our product in substantial quantities have been ordered forwarded to the agricultural colleges of Oregon and Washington, with request for experimentation in its use. The nearer, of course, the use of this product to the place of its manufacture the larger becomes the commercial value of the industry. In a letter from the Department of Agriculture, Office of Experiment Stations, at Sitka, respecting our guano product, dated July 15, 1910 (see Exhibit 1, hereto attached), it is said, touching our guano product:

"It is a nitrogenous fertilizer, and when applied to a soil deficient in available nitrogen the crop may be doubled, or even trebled, as compared with a crop on a similar area not fertilized. Applied to vegetables, the increase in growth varies with the soil and the class of vegetables from 25 to 200 per cent.

Our guano, therefore, is essentially a food-producing product.

TERRITORY COVERED BY THE COMPANY'S BUSINESS.

The fishing industry in Alaskan waters, whether it takes the form of the business of the salmon packer, the halibut fisher, or is confined to the industry as carried on by our company, must necessarily have some central point to which fish can be carried for preparation for market in any form, and from this central point the fishing must radiate. Necessarily, therefore, the territory covered by the fishermen, particularly in a business which utilizes the herring, is restricted in area. The territory covered by our operations includes a radius of from 40 to 50 miles north and south from Killisnoo, where the plant is located, and it embraces the waters surrounding Admiralty Island. Thus our operations extend up Chatham Strait along the west coast of Admiralty Island approximately as far as Funder Bay, thence across Chatham Strait to Icy Strait, and down the east coast of Chichagoff and Baranoff Islands to Prince Frederick Sound, and along the easterly coast of Admiralty Island to Seymour Canal. The Alaskan waters in and about Ketchikan, Wrangell, Juneau, Skagway, and Sitka, in southeastern Alaska, are not invaded by the fishing operations of this company, and they are too far distant from the located plant of the company to make possible any fishing by us in those waters. The limited area of the fishing operations of this company is referred to because the suggestion of an enforced discontinuance of our business implies that the herring supply needed for other purposes is depleted by the operations of our company, and it is impossible to conceive that the limited area covered by the operations of this company justifies the assumption.

The legislation proposed by the Secretary of Commerce and Labor will in effect amount to a practical confiscation of the properties of this company, built up at great expense and with many sacrifices that come with pioneer exploitation of a pioneer country. The larger value of the plant of this company is the investment in machinery and appliances devoted solely to the use of the herring as a producer of oil and guano. The destruction of the business of this company means an absolute destruction of its entire capitalization, with little or no salvage resulting to its stockholders. Believing that this recommendation of the Secretary has been made without a proper appreciation of the herring industry, and that the destruction of the plant of this company is not necessary to a proper protection of the fishing industries of Alaska, I respectfully beg leave to invite the attention of the committee and the Secretary to the considerations underlying the report of the bureau, upon which the recommendation has been made. The writer of this memorandum has been engaged in the exploitation of Alaskan industries for 30 years past and presumably is qualified to speak with some degree of knowledge of the herring fisheries.

The attention of the department and of this committee is respectfully called to the fact that the report of the bureau, upon which undoubtedly the recommendation of the Secretary is founded, has been made upon no scientific investigation of the habits of the herring, the practicability of its use as an edible fish, either fresh or in a salted condition, or any scientific knowledge so far gained from scientific investigation of the life or habits of the herring; and it is respectfully submitted that no scientific data have been yet obtained which justify the assumption that the use of the herring for the purpose of the manufacture of oil and guano is either an injury or detriment to other fishing industries in Alaska, or that the use to which the fish is put by our company is not from a practical commercial standpoint the natural use to which the fish is adapted.

The objections to the continuance of the use of the herring for the purposes of the manufacture of oil and guano, and which undoubtedly underlie the report of the bureau, may be specified as follows:

(a) It is assumed that the herring is an edible fish; that its use, therefore, for the manufacture of oil and the converting of its pulp into guano (which in itself is a food-producing commodity) constitutes a wasteful destruction of the food supply of the world, and therefore ought to be prohibited. This assumes, of course, that the supply and demand touching the food supply necessitates resort to the herring as a food fish.

(b) It is assumed that the herring is the natural food for halibut and salmon; that its use for the business of our company is so destructive of the supply that the natural food for these other fishes is being greatly lessened, and to protect this natural food supply the herring should be conserved. This assumes, of course, that one fishing industry must be sacrificed for the benefit of another, and assumes as a fact, which has not yet been established, and it is respectfully submitted can not be established, that the limited territory covered by the fishing operations of this company has any tendency whatever to diminish the natural food supply of the fish of Alaskan waters.

(c) It is assumed that the business of this company is of such magnitude as that the bait necessarily used in the halibut-fishing industry is so diminished that that industry is endangered; this assumes that it is necessary to sacrifice one industry in order to keep alive another. As a matter of fact, however, the maintenance of this company's plant at Killisnoo affords a ready resource for the halibut fishermen in the purchase of bait when needed by them, and a continuation of our business, centrally located as it is, works to the material advantage of the halibut industry rather than to its detriment.

I beg the permission of the committee and the Secretary to analyze the assumptions of fact at the base of the proposed destruction of our business.

THE NATURAL SUPPLY OF HERRING AND THE COMPARATIVE CATCHES OF THIS FISH IN ALASKAN WATERS AND ELSEWHERE.

It is a universally known fact that of all sea fish the herring is most abundant' and while as yet but little scientific inquiry has been made touching its life, habits' and reproduction, it is a fact generally conceded that the spawn of the female contains from 15,000 to 20,000 eggs. While my own experience as to the herring, its life and habits, is confined to the waters of southeastern Alaska, my information is that this fish is found in all of the Alaskan waters, which practically include all the sea-coast of Alaska, from Dixon entrance on the south to Bering Straits on the west and north. It is popularly understood and so believed by me from my experience, and in the absence of scientific knowledge based upon scientific investigation this fact ought to be assumed until the contrary is established: That the life of the herring varies from five to seven years. Whether this fish, like the salmon, seeks Alaskan waters for spawning purposes, and, having fulfilled the law of its reproduction, dies, is not scientifically known. The fact is, however, and the experience of all fishermen in Alaskan waters verifies this, that, either from natural causes or from the character of the food which the herring feeds upon, millions of the fish die each year, and it is no uncommon sight in sailing through Alaskan waters to sail through millions of floating dead herring. Any industry, therefore, which may make possible the catch of the fish before death ensues and the use of its product, should, it is submitted, be encouraged instead of suppressed, because this means a utilization of what would otherwise be so much waste product.

The herring supply of the Alaskan waters is not uniform; that is, there are years of large and apparently inexhaustible supply and there are years of lighter runs, and while apparently during one season the impression may prevail that the supply is being depleted, another season finds the waters crowded with the fish, as every sailor in Alaskan waters well knows, there being times when for miles a vessel will ply through innumerable schools. It is a fish which sometimes seeks deep water and

sometimes shallow water, and in the practical solution of our business we have found it necessary to be equipped with deep-sea nets for successful fishing. For this reason the halibut fisherman must seek outside sources for his bait rather than to undertake to supply his own. I beg leave here to submit statistics showing the respective catches of herring in Alaskan waters and in Holland, Scotland, and Norway, and I have no reason for believing that there is any more danger of depleting the supply of herring in Alaskan waters, even if fishing is carried on to the extent that this industry is practiced in foreign waters, than the catch in those foreign waters indicates depletion in supply. The exhibits attached hereto—Nos. 2, 3, 4, 5, and 6—indicate the magnitude of the herring industry in Scotland, Holland, and Norway, respectively, and the comparative catches as between those countries and this company in Alaskan waters. These statistics cover a period of approximately 10 years, from 1900 to 1910, though the statistics from Norway are partial only, covering the period from 1904 to 1908.

Catches for 1908 were:

	Pounds.
Alaska.....	7, 512, 000
Norway.....	86, 711, 752
Holland.....	171, 415, 500
Scotland.....	713, 767, 824

Catches for 1910 were:

Alaska.....	11, 783, 800
Scotland, up to August.....	650, 436, 528

The enormous catches, therefore, in the waters of Norway, Holland, and Scotland indicate the fecundity of the fish and do not indicate any depletion in the supply. There is no reason to suppose that the comparatively trifling catch of this company in Alaskan waters can have any tendency to deplete the supply of the fish.

THE HERRING AS A FOOD FISH.

That the Alaska herring is an edible fish is of course admitted; that it is a practical food fish from a commercial standpoint is disputed. Its consumption while fresh is trifling and does not exceed a few hundred barrels per year and is wholly local. Its shipment to the consumer outside of Alaskan territory as a fresh fish is practically impossible. As a salted fish, it is prepared in one of two ways: (a) Either by pickling, so-called, or (b) dry salting.

This company has frequently experimented in an effort to cure the herring and ship the fish as a food product, but generally the effort has proven a failure. There are several reasons for this, the chief of which is that of the entire herring catch only 20 per cent, approximately, is susceptible of pickling or dry salting, because the herring is either too oily or in the course of its feeding takes something into its stomach (a tightly inclosed sac) which no pickling or dry salting can reach, and putrefaction setting in the fish is spoiled. This fact has been discovered by our company in the course of its experimentation. Possibly if the fish, after being caught, were penned for a time in order that this food matter could be absorbed by the fish, the herring might be salted with some degree of success; but that it could be marketed in competition with other salt fish, including the herring from foreign countries, is disputed, for it must not be forgotten that the market for herring, either pickled or salted, is at most confined to the Pacific and Northwest coasts, where also an attempt to market it means that competition is met from local catches in those regions. The cost of labor, freight, and cost of salt into Alaskan waters and the freight costs out of Alaska on the product, make shipment of the salted product, even to the Pacific and Northwest coasts, a doubtful experiment, while the same causes effectually bar the fish from the Eastern markets as against the salted fish reaching the Eastern consumer either locally or by importation from foreign ports, Norway and Holland being probably the largest exporting points of salt herring.

The herring caught in southeastern Alaskan waters, also, is usually of small size and unattractive to the consumer. Repeatedly our company has made efforts to secure a market for salt herring and has always been met with the suggestion from the dealer that our fish, as a rule, are too small and unattractive as compared with the foreign product. To say, therefore, that the herring must be used only as a food fish is to practically say that it shall not be caught at all except for purposes of local consumption while fresh and as bait for the halibut fisherman, for any attempt to catch this fish on the theory of its use in a salted form means that practically 20 per cent of the catch only can be used, while 80 per cent must be thrown away.

THE HERRING AS A NATURAL FOOD FOR SALMON AND HALIBUT.

That both the halibut and some species of salmon (the spring or king salmon) feed on the herring is readily admitted. Not all salmon, however, which find their way into Alaskan waters feed upon this fish. The general run of salmon in those waters consists mainly of pink, Coho, sockeye, and chum or dog salmon, which find their way from the sea seeking spawning grounds and are not there for feeding. The king salmon probably feeds in Alaskan waters, and to a greater or less extent the herring and other small fish are a part of its prey. The herring fishing lasts, however, only during a comparatively short period of the year, approximately from June 15, after the season of the spawning of the herring is over, to October 1 or 15, a period of approximately from three to three and one-half months. Salmon and halibut fishing, however, continues over a much longer period and over a much wider area, and it is not conceivable that the limited fishing operations of this company within the limited territory covered by it can in any degree affect this natural food supply. The statistics of the salmon industry disclose that the catch of that fish is increasing rather than decreasing; and at favorable localities and points in southeastern Alaska there are now some 20 or more salmon canneries; and whereas the output of salmon (mild cured), king or spring, amounted in the year 1907 to 1,460,162 pounds, the output in 1909 aggregated over 2,880,000 pounds, the catch of 1909 doubling that of 1907. The record of the halibut fisheries shows an equally startling increase, and whereas the catch of that fish in 1907 aggregated 3,630,256 pounds, the catch for 1909 aggregated 4,835,323 pounds, an increase, approximately, of 30 per cent. The record for the 1910 catch is not available at the time of the preparation of this memorandum, but as far as known the catch of both the halibut and the spring salmon for 1910 far exceeds that of 1909. I append hereto as Exhibit 7 a statistical record of the halibut and salmon catch in southeastern Alaskan waters for the years 1907-1909.

THE HERRING AS BAIT.

The success of halibut fishing, it is admitted, depends upon the character of the bait used, and undoubtedly herring bait is the best for that industry. This bait is secured by the fishermen partially by their own catch for the purpose, but mostly by purchase of fresh herring from the smaller fishermen who catch solely for bait purposes or for local consumption while fresh, and from the supply furnished by this company at its depot of supplies for that purpose maintained at Killisnoo.

As a rule halibut fishermen are not equipped with appliances necessary for catching their own bait, and unless they are so equipped, and with deep-sea nets, the possibility of supplying their own bait is extremely uncertain, for while the herring may be, and generally is, caught in the shallow waters of the various bays of Alaska, it not infrequently happens that deep-sea nets are a necessity to secure a catch in any large quantity. Our company is equipped with all of the appliances for either shallow or deep water fishing, and not infrequently the catch of our company furnishes one of the readiest resources of the halibut fisherman for fresh bait. During the season of 1909 our company marketed to the halibut fishermen some 800 barrels of fresh herring for bait purposes. During the season of 1910 considerably less demand was made upon us than in the former year, owing to the fact, doubtless, that ample supplies of bait were secured elsewhere; but it is a well-known fact that the halibut fisherman will frequently travel hundreds of miles to secure the necessary bait for his purpose, and the source of supply which our company's operations afford will prove a strong factor in the maintenance of the halibut-fishing industry.

SUGGESTIONS FOR LEGISLATION.

Upon the question of taxation of the fishing industry it is submitted that while all property and property interests in Alaska should bear their just proportion of the burden of the expense of the civil government for that district, the inequalities of this burden as proposed by the pending bill would seem to merit the careful consideration of the committee before being sanctioned by the proposed legislation.

Touching the subject of the conservation of the fishing industries of Alaska, and the regulation of that industry, there is no question but that some regulation should be imposed. And in so far as that regulation may be directed to the herring industry, it would be most welcome on our part. The herring spawns in the spring of the year, and during the spawning period all fishing should be prohibited. While the spawning period may not be definitely known and may not be uniform throughout the waters of Alaska, enough is known of the habits of this fish to at least inaugurate an effort at regulation. Our own fishing operations, as a matter of fact, begin, as heretofore stated,

about June 15, and continue until October 1 or 15, and so far as known this period embraces no part of the spawning period of the fish in the waters to which our operations are confined. There is, however, a wholesale destruction of the herring spawn now practiced by the Indians of Alaska which should be suppressed, and the attention of the department and this committee is called to the fact that the native Indians of Alaska to-day spread upon the seashore spawning nets, so to speak, composed of twigs, by means of which the herring spawn in large quantities is caught and used by the Indians for food. This should be prohibited.

I respectfully suggest also that scientific investigation should be inaugurated, and might well be authorized by this committee by some appropriate section to the pending bill, providing for the appointment of a commission to make a thorough investigation of the herring industry, with an investigation touching the life and habits of the herring, and that of the fish being utilized economically and commercially as a food fish. This company has been experimenting to that end for a number of years past, and so far without practical success, and at no little expense. We would gladly discontinue its use as an oil and guano producer if the department can point the way. Thousands of dollars are expended annually by the Government in the interests of the agriculturists, to increase the production of the soil, diversify its products, and contribute to the world the most complete knowledge of food and food supplies which the soil is susceptible of producing, and I respectfully submit that some help should be given by the department to the fisherman, by a judicious expenditure of money in scientific investigation of the herring industry, and the possibility of curing for the purpose of marketing in a commercial way all of the herring catch, rather than approximately 20 per cent of it. Until some such investigation be made, therefore, and until it can be established that the Alaska herring is practically a commercial food fish, it is respectfully submitted that it is an injustice to enter upon legislation the effect of which would be to practically destroy the plant of this company, since its plant is now susceptible only of the uses to which it is put. If an appropriate commission can be provided for, and a complete investigation of the whole industry can be entered upon, this company pledges its hearty cooperation and support to the investigation, and will, so far as possible, furnish ground and appliances for experimentation. Whenever a way has been pointed for the commercial use of the herring as a food fish, this company will be only too glad to discontinue its use for oil and guano purposes.

If, however, this committee shall determine that legislation should be entered upon on lines as proposed by the pending bill, I respectfully submit that some provision should be made by way of compensation for the plant of this company now in existence, or that a continuation of the business of this company be permitted for such a length of time, say 15 to 20 years, which will afford an opportunity to wind up our business without too great a loss. Our business has been built after years of effort and the expenditure of large amounts of money. Each year we pay out approximately in wages \$40,000, about one-half of which is paid out to native Indians and to local people living in the district, the remainder being paid to salaried employees and skilled labor secured from neighboring territory.

CARL SPUHN, *President.*

PORTLAND, OREG., *December, 1910.*

EXHIBIT 1.

UNITED STATES DEPARTMENT OF AGRICULTURE,
OFFICE OF EXPERIMENT STATIONS,
ALASKA EXPERIMENT STATIONS,
Sitka, Alaska, July 15, 1910.

Mr. CARL SPUHN,
President Alaska Oil & Guano Co., Killisnoo, Alaska.

DEAR SIR: I acknowledge receipt of your letter dated July 6, in which you ask me to state, in percentage, to what extent a crop is likely to be increased when the soil is fertilized by your fish fertilizer. In reply I beg to say that the effect of any fertilizer depends chiefly on two things—the soil to which it is applied; and, secondly, the crop for which it is used. No fertilizer will give the same result under all conditions. We have used the fish fertilizer manufactured by you at the experiment station here at Sitka on a small scale, and always with highly satisfactory results. It is a nitrogenous fertilizer, and when applied to a soil deficient in available nitrogen the crop may be doubled, or even trebled, as compared with a crop on a similar area not fertilized. Applied to vegetables the increase in growth varies with the soil and the class of vegetables from 25 per cent to 200 per cent. When applied to a soil already rich in available nitrogen there is little increase in the crop.

As a fertilizer for grains we have used it to a very limited extent. It increases the size and vigor of the straw as well as the size of the heads, but it also lengthens the growing period, so that the crops do not mature in so short a time. It is an active energetic fertilizer, and it should be used in moderation. For grain crops 300 pounds to the acre, sown with the grain, is a fair average dressing. For vegetables as much as 500 pounds to the acre can be applied with good results if the soil is not naturally fertile.

Respectfully, yours,
C. C. GEORGESON,
Special Agent in Charge of Alaska Investigations.

EXHIBIT 2.

AMERICAN CONSULATE GENERAL, LONDON, E. C.,
September 26, 1910.

Statistics as to the catch of herring in Scotland for the past 10 years, as supplied by the secretary of the fishery board for Scotland.

	Pounds.
1900.....	441, 575, 900
1901.....	544, 238, 352
1902.....	596, 334, 704
1903.....	536, 818, 576
1904.....	681, 452, 016
1905.....	670, 197, 920
1906.....	624, 672, 048
1907.....	784, 418, 992
1908.....	713, 767, 824
1909.....	569, 660, 224
1910 to August 31.....	650, 436, 528

EXHIBIT 3.

VICE CONSULATE OF THE NETHERLANDS, AT PORTLAND, OREG.,
September 28, 1910.

Statistics of the herring catch for Holland (Statistiek der Haringvisscherij) over 1909.

	Pounds.
1900.....	109, 554, 000
1901.....	138, 282, 200
1902.....	187, 452, 500
1903.....	213, 778, 250
1904.....	198, 855, 000
1905.....	151, 677, 000
1906.....	187, 820, 500
1907.....	211, 514, 000
1908.....	171, 415, 500
1909.....	201, 030, 000

EXHIBIT 4.

KRISTIANIA, *September 22, 1910.*

The Trade Intelligence Bureau of Norway, Norges Officielle Statistik V, 1908; Norges Fiskerier, 1908:

HERRING.

	Pounds.
1904.....	49, 053, 086
1905.....	61, 014, 066
1906.....	79, 681, 338
1907.....	105, 101, 246
1908.....	86, 611, 752

ALASKA FISHERIES.

EXHIBIT 5.

PORTLAND, OREG., December 1, 1910.

Catches of herring of the Alaska Oil & Guano Co. at Killisnoo, Alaska.

	Pounds.
1900.....	9,896,800
1901.....	9,820,800
1902.....	6,320,200
1903.....	7,786,600
1904.....	11,717,600
1905.....	9,748,200
1906.....	6,719,400
1907.....	4,959,200
1908.....	7,512,000
1909.....	10,403,600
1910.....	11,783,800

EXHIBIT 6.

Comparative statement of herring catches.

	Scotland.	Holland.	Norway.	Alaska.
	Pounds.	Pounds.	Pounds.	Pounds.
1900.....	441 575 900	109 554 000		9,896,800
1901.....	544 234 352	134 282 200		9,820,800
1902.....	586 334 704	187 452 500		6,320,200
1903.....	536 814 576	213 774 250		7,786,600
1904.....	681 452 016	198 835 000	49 053 086	11,717,600
1905.....	870 147 920	151 677 000	61 014 066	9,748,200
1906.....	624 672 048	187 820 500	79 681 338	6,719,400
1907.....	784 414 992	211 514 000	105 101 246	4,959,200
1908.....	713 767 824	171 415 500	86 611 752	7,512 000
1909.....	569 040 224	201 030 000		10,403,600
1910.....	650 436 528			11,783,800

EXHIBIT 7.

UNITED STATES CUSTOMS SERVICE,
Juneau, Alaska, October 19, 1910.*Halibut and salmon shipped from southeast Alaska during the calendar years 1907, 1908, and 1909.*

	1907		1908		1909	
	Pounds.	Value.	Pounds.	Value.	Pounds.	Value.
Halibut:						
Fresh.....	3,630,256	\$109,293	4,559,427	\$144,419	4,835,323	\$176,961
Frozen.....	375,000	15,286	958,360	25,194	240,604	14,436
Fletched.....	482,362	16,172	144,219	4,929	113,997	4,132
King salmon, mild cured ¹	1,460,162	88,763	1,290,300	62,451	2,880,066	140,300

¹ The salmon output here referred to does not cover the salmon cannery pack of pinks, cohoes, sockeye, and chums.

Mr. SNOW. Section 9 of the bill now pending before the committee provides:

SEC. 9. That it shall be unlawful for any person wantonly to waste or destroy salmon or other food fishes taken or caught in any of the waters of Alaska, and the utilization of any part of food fishes, other than the offal and waste thereof from establishments preparing fish food products, in the manufacture of fertilizer or fish oil shall, after January 1, 1914, be regarded as such wanton waste.

It is that feature of the bill that I have objection to. Let me premise what I have to say by stating that I have been associated with the Alaska Oil & Guano Co. for the past 12 or 14 years in the capacity of counsel for that company and as a member of its board of directors.

The CHAIRMAN. What are the interests of the company? What is the extent of its operations in Alaskan waters?

Mr. SNOW. The Alaska Oil & Guano Co. catches herring and utilizes its product in the manufacture of guano and the manufacture of oil.

Senator BOURNE. How large a plant have they? What is its capacity?

Mr. SNOW. The plant is comparatively a small plant. Its general output is approximately about 40,000 barrels or between eight and nine million pounds of herring a year.

Senator BOURNE. You mean 40,000 barrels of herring caught or 40,000 barrels of guano and oil produced?

Mr. SNOW. I mean 40,000 barrels of herring caught.

Senator BOURNE. A year?

Mr. SNOW. Yes, sir; a year.

The CHAIRMAN. What is the investment of the company?

Mr. SNOW. Now, a capitalization of \$75,000, with some little added surplus in years past, makes its practical investment \$100,000.

The CHAIRMAN. What is the value of your plant in Alaska?

Mr. SNOW. The value of the plant is just what we have put into it.

The CHAIRMAN. What have you put into it?

Mr. SNOW. In 1909 we added some new cooking machinery, some improved machinery for the betterment of the business at an expense of eleven or twelve thousand dollars. That was before any agitation arose as to the question of the utilization of herring as a guano producer.

The CHAIRMAN. What have you put into the plant in Alaska in buildings and equipment to date?

Senator BOURNE. That is, what is your investment?

Mr. SNOW. \$100,000.

The CHAIRMAN. Have you any vessels?

Mr. SNOW. We have two or three fishing vessels.

The CHAIRMAN. Are they included in that \$100,000?

Mr. SNOW. Yes, sir; they are included in that \$100,000 investment.

The CHAIRMAN. So that the \$100,000 investment would include your plant in Alaska.

Senator OVERMAN (reading):

That it shall be unlawful for any person wantonly to waste or destroy salmon or other food fishes taken or caught in any of the waters of Alaska, and the utilization of any part of food fishes, other than the offal and waste thereof from establishments preparing fish food products, in the manufacture of fertilizer or fish oil shall, after January 1, 1914, be regarded as such wanton waste.

Do you construe that to be the manufacture of fish oil out of other than food fish?

Mr. SNOW. I do not so construe the bill. The bill provides that it shall not be made from food fish.

Senator BOURNE. Herring is all they catch there, Senator.

Senator OVERMAN. What other fishes do you have there except salmon and herring?

Mr. SNOW. We have halibut. We do not catch any halibut, except to put a little up. Our chief business is oil and guano.

Senator OVERMAN. Are there other fishes there that you could utilize?

Mr. SNOW. No, sir.

Senator OVERMAN. We have fertilizer companies in my State who use other species of fish.

Senator BOURNE. They probably catch fish of the Menhaden family like the porgy. The porgy is of the Menhaden family. I have heard of 10,000-barrel catches of porgy not being unusual on the coast of Maine, near Buzzards Bay. They are a migratory fish, are they not?

Mr. SNOW. Yes, sir.

Senator BOURNE. The same as herring?

Mr. SNOW. Yes, sir.

Senator OVERMAN. Are there any other factories except yours up there?

Mr. SNOW. I know of no other factory except ours.

Senator OVERMAN. Can this offal or waste of the salmon factories be utilized?

Mr. SNOW. It can be utilized providing you can get your offal to your factory. But you understand, Senator, there is a wide section of this Alaskan territory. In that section there are canneries located 30 or 40 miles apart. If we had a factory on the ground and could work the offal right there, it would be different.

The CHAIRMAN. Could the salmon canneries furnish you sufficient offal to run your factory?

Mr. SNOW. It is a question in my mind if any plant could be located in this country, as I view it, devoted entirely to the use of salmon offal as a manufacturing product for guano.

Senator OVERMAN. Is that offal and waste utilized at all now?

Mr. SNOW. I do not know as to that, but I think not. Dr. Evermann can probably state as to that.

Dr. EVERMANN. It is practically not used at all.

The CHAIRMAN. Do you use the offal at all?

Mr. SNOW. None at all; no, sir.

The CHAIRMAN. How far away is the nearest cannery from you?

Mr. SNOW. That I can not say; the nearest cannery that I know of is the Myers's cannery.

Dr. EVERMANN. Sitkoh Bay is nearest point, and that is about 20 miles away. The Funter Bay cannery is about 50 miles distant.

Mr. SNOW. That is probably the nearest cannery to us.

The CHAIRMAN. Where is your plant located?

Mr. SNOW. At Killisnoo.

Senator BOURNE. Doctor, what is the stretch of herring-bearing waters along the Alaskan coast in miles—the length?

Dr. EVERMANN. This species of herring which the Killisnoo Co. uses ranges from San Diego, in southern California, to Bering Sea. It is most abundant in southeast Alaska, and that is through a stretch of 300 to 400 miles, say from Dixon Entrance to Yakutat—about 400 miles.

Senator BOURNE. What is the length of the fishing ground utilized by the Alaska Oil & Guano Co.?

Mr. SNOW. Approximately, say, a region of territory 40 or 50 miles north and south of our plant. You understand, gentlemen, that there are limitations, of course, on the length of the haul of the

fish to your place of manufacture. You can only haul the material a certain distance to make money by its use. That distance in Alaskan waters would approximately be 50 miles from Killisnoo.

Senator BOURNE. Then you fish over approximately a 100-mile stretch?

Mr. SNOW. Yes, sir.

Senator OVERMAN. These herring go in schools, I suppose?

Mr. SNOW. Yes, sir; large schools.

Senator OVERMAN. What do you say your catch is in the year?

Mr. SNOW. Well, in the pamphlet which I have filed with the committee there are statistics showing the catch in Alaska, Scotland, Holland, and Norway, beginning in 1900 and terminating in 1910. The statistics from Norway are only for the period from 1904 to 1908. Our catch from 1900 down to 1910 has averaged approximately between eight and nine million pounds.

Senator BOURNE. In barrels what would it be?

Mr. SNOW. Forty thousand barrels.

Senator BOURNE. On an average for a ten-year period per annum?

Mr. SNOW. Yes, yes.

The CHAIRMAN. What would the average be for the last two or three or four or five years of that period?

Mr. SNOW. For 1907 the catch was 4 959,200 pounds.

Senator BOURNE. As against 9,000 000.

Mr. SNOW. As against the average of 9,000,000.

The CHAIRMAN. What were the high years?

Mr. SNOW. The high year was 1904; 11,717,600 pounds.

The CHAIRMAN. How do you explain the difference in the catch?

Mr. SNOW. It is unexplainable, except for the comparative run of the fish.

The CHAIRMAN. You had the same appliances each year?

Mr. SNOW. Yes.

Senator BOURNE. Herring is a migratory fish you know. It runs in schools. You may have a big catch one year at a particular place and the next year catch none. I have caught, myself, 52 bluefish in a day off Martha's Vineyard where perhaps in another year you would not get a strike in a season.

The CHAIRMAN. Since 1904 when you have had a large catch?

Mr. SNOW. In 1908 we had a catch of 7,500,000 pounds, approximately; in 1909, 10,000,000 pounds; and in 1911, 11,000,000 pounds.

The CHAIRMAN. For two or three years along there you had good runs.

Mr. SNOW. That season, three of the years were above the average, but before that five years were below the average.

Senator OVERMAN. Are there any other guano factories either on the coast of the United States or in foreign countries adjoining ours that use this herring food fish for this purpose?

Mr. SNOW. I know of no other factories adjoining us in that Alaskan territory.

Senator OVERMAN. Do you know of any anywhere where these schools run?

Senator BOURNE. Anywhere in the world?

Mr. SNOW. I do not know as to that.

The CHAIRMAN. Are there any on the Pacific coast that you know of besides yours?

Mr. SNOW. I am not sure about that.

The CHAIRMAN (to Dr. Evermann). Doctor, do you know about that?

Dr. EVERMANN. There is at least one on Puget Sound, Senator. It uses chiefly salmon refuse. Of course, the Killisnoo Co. uses herring exclusively.

The CHAIRMAN. Where is that plant located?

Dr. EVERMANN. It is on an island off Bellingham, somewhere. I do not recall the name of the island just now.

Senator OVERMAN. They use salmon waste there?

Mr. SNOW. We have spoken of the herring as a food fish, and I think the question of its being a food fish ought to be understood by the committee.

Senator OVERMAN. That is a very important question.

Mr. SNOW. As a matter of fact, I understand that the herring is not a practical food fish. Of course, it can be eaten if caught and used at once. It is an edible fish.

Senator OVERMAN. Still, herring is a great fish, you know.

Mr. SNOW. The trouble with salting herring in Alaskan waters consists in the difficulty of handling the product. This pamphlet I have filed with the committee shows that the president of our company in repeated years that he has been there has experimented with the possibility of salting the herring. There is something that the herring takes into its stomach in feeding in those waters that ferments and causes a deterioration of the fish very quickly. For instance, out of the total product of the fish we might catch there, there is only about 20 per cent we can utilize by salting; the balance would be thrown to waste, except for the fact that this balance could be used in our factory.

In talking with Dr. Evermann the other day about that question he seemed to think that if the herring was used very soon after it was caught it could be salted. But the limitations against the use of the fish in that way it seems to me would make it a commercial impossibility. We do put down a certain amount of pickled herring. Of course I am not familiar with the details of the manufacture, just how it is handled. That is a detail that I know nothing about, and which belongs to the president of our company.

Senator BOURNE. Do you smoke any?

Mr. SNOW. I think not. Pickled herring we send out. Whatever of our catch we can pickle, we pickle, but when we get a given catch—suppose we catch 1,000 tons of fish, there is 200 tons of that we can utilize in salting, the balance we have to throw away.

Senator BOURNE. Unless you can guano it?

Mr. SNOW. Yes; unless we can guano it.

The CHAIRMAN. How do you catch your fish?

Mr. SNOW. By seining. We use the deep-sea nets and we have the seines for shallow waters.

The CHAIRMAN. Do you use traps?

Mr. SNOW. We have one trap, and that trap is comparatively recently inaugurated. That trap is largely for the purpose of experimentation as to the question of whether or not by herding that fish for a time and giving them time to absorb this noxious feed we can convert into a food fish. Last year we caught quite a quantity of fish with that trap; this year we are going to try and experiment with the question of making that fish that we can salt and put away and market.

The CHAIRMAN. How far is that trap from your plant?

Mr. SNOW. That I do not know.

Senator OVERMAN. Dr. Evermann, I would like to ask you a question, please: Taking this 100 miles, 50 miles each way from Killisnoo, are there any banks there, halibut banks, that are being fished now?

Dr. EVERMANN. Yes; there are some halibut within that stretch of 100 miles. Most of the halibut fishing is off some little distance; more than 50 miles.

Senator BOURNE. More than 50 miles?

Dr. EVERMANN. Yes. There is a plant at Ketchikan which is putting up herring by cold storage and selling it for bait to the halibut fishing.

Senator BOURNE. I suppose they have to salt that bait the same as you do for mackerel.

Dr. EVERMANN. I understand they treat it in two ways. This Ketchikan plant is simply putting it up in cold storage, fresh, in which shape it goes to the halibut fishermen.

Senator OVERMAN. How many salmon canneries are there in that territory within 200 miles?

Dr. EVERMANN. I could not say, within 200 miles. The total number in Alaska is about 62.

Mr. CHAMBERLAIN. Sixty-four.

Dr. EVERMANN. There are 32 in southeastern Alaska in that stretch of 350 miles.

Senator OVERMAN. You said it would be impracticable to use this waste. If you could get that waste in sufficient quantities for your factory; would it be practicable?

Mr. SNOW. Yes; if we could get enough of it.

Senator OVERMAN. It seems to me you could certainly get enough of it.

Mr. SNOW. I suppose if we got all of the offal of the salmon canneries in Alaska we could run.

Senator OVERMAN. Or even half of it.

Mr. SNOW. Yes; I suppose so.

Senator OVERMAN. You would have to have a steamer to carry it?

Mr. SNOW. Yes.

Senator OVERMAN. How many hours would it take to carry 150 miles?

Mr. SNOW. Approximately 10 or 12 hours.

Senator OVERMAN. Then why do you say it is impracticable to use it?

Mr. SNOW. I say it is impracticable because—take the Myers Cannery that I referred to, we would have to get a certain quantity of offal there; then we would have to go off 20 or 30 miles to another cannery; then 20 or 30 miles to another, and by the time we would have our steamer loaded we would have lost maybe four or five days. Of course we would take all of that stuff at the factory if we could get the canners to haul it to us. They might say to us, "You come and take it," but we could not possibly collect all that stuff throughout this great stretch of water and then undertake to work with it.

Senator BOURNE. What is the value of your output annually? You said it was 9,000,000 pounds annual average for 10 years. What would be the value of that product?

Mr. SNOW. I do not think the statistics I gave the committee furnish that. I can not give the figures, but I will be glad to furnish them.

Senator BOURNE. Can you give us the earnings on that \$100,000 capital? What are your average earnings per annum, net?

Mr. SNOW. We have been in the business since 1889. The Alaska Oil & Guano Co. was organized then. It was successor to an old company that went broke and which put the first salmon cannery in Alaska. We then reorganized that company. Since 1889 we have had occasional years of some surplus and have put it back into the property; but the total, shall I say, dividend income on our capitalization amounts to 30 per cent, and that has only been paid within the last three years.

Senator BOURNE. You mean 30 per cent per annum, or since 1889? You have only divided \$30,000 since 1889?

Mr. SNOW. We have only divided about \$18,000, as a matter of fact.

Senator BOURNE. Then the way this proposition comes to me is this, as I take it: That you have \$100,000 invested; that you can at the utmost only cover a stretch of territory 100 miles in length; you are the only plant in that line of business in Alaska and it is inconceivable to your mind that by the operation of your plant you are depleting the supply of herring as a food fish; and that the enactment of this legislation would scrap a \$100,000 investment by the company you represent.

Mr. SNOW. It would absolutely scrap that amount. You have stated the proposition exactly.

Senator BOURNE. Dr. Evermann, in your opinion, does the operation of this plant deplete at all the supply of food fish, taking into consideration the migratory habits of the fish and the stretch of coast along which these fish are found?

Dr. EVERMANN. I would have to answer that question by saying that the Bureau of Fisheries has made no investigation of the herring of Alaska which would justify it in taking any definite stand on that question. We do not know how many schools there are; probably many more or less independent schools of herring are represented by this species of herring in Alaska.

Senator BOURNE. Could that knowledge be obtained anywhere in the world as to the number of independent schools?

Dr. EVERMANN. Investigation could be made which would determine, for instance, whether the migratory habits of the herring that are found in southeast Alaska take them to middle Alaska, or from Dixon Entrance to the Skagway region, but we have not the data. If it is true, as is contended by some, but which I do not know to be true, that the one species of herring on the west coast is made up of many independent schools, each of which has its own migration route, and that migration route is more or less limited in its extent, then I can easily see that overfishing in any given region would in time deplete and might wipe out these individual schools.

Senator BOURNE. I do not see how it can be contended that one factory is going to decrease the supply at all in any appreciable amount when you find these fish from San Diego up to the Bering Sea. That is the point I am making.

Dr. EVERMANN. I hardly think that the fish found at San Diego would ever migrate to Killisnoo or that those caught at Killisnoo would ever migrate as far south as San Diego.

Senator BOURNE. Are they a different herring?

Dr. EVERMANN. No; they are the same species.

Senator OVERMAN. Have you noticed any diminution in the number of herring?

Dr. EVERMANN. In the Killisnoo region in Alaska various individuals have reported that there has been a diminution in the number of herring in that region; but it is fair to say that the people who have made those statements are largely interested in catching herring and utilizing herring in another way.

Senator OVERMAN. In what way?

Dr. EVERMANN. They catch them for bait for halibut fishermen chiefly.

Mr. SNOW. That is the chief use, is it not?

Dr. EVERMANN. Yes.

Senator OVERMAN. Doctor, you are connected with the department here?

Dr. EVERMANN. Yes, sir.

Senator OVERMAN. Is this a recommendation coming from the department?

Dr. EVERMANN. It is part of the salmon bill or the Alaska fisheries bill which was prepared in the Bureau of Fisheries and was transmitted to the Secretary, and I suppose it came up here.

The CHAIRMAN. Yes; it came to the Committee on Fisheries.

Senator OVERMAN. Why do they recommend this provision unless there is necessity for it?

Dr. EVERMANN. There may be necessity for it. We do not know, as I have said, whether excessive fishing in a certain region in Alaska might not wipe out particular schools in that region. Now, if that theory be true, and it may be, then excessive fishing within 150 miles of Killisnoo would eventually deplete the herring in that region.

The CHAIRMAN. Do you think the fishing carried on there now by this company is excessive?

Dr. EVERMANN. I can not answer that question.

The CHAIRMAN. Have you any information that would lead you to think so?

Dr. EVERMANN. Our information does not enable me to say whether it is or is not.

The CHAIRMAN. Is there anybody in your department who has investigated the matter and can give us his judgment?

Dr. EVERMANN. I will say that Mr. John N. Cobb, who has been for a number of years assistant salmon agent, and whose particular field has been southeast Alaska, is strongly of the opinion that the herring fishery is being depleted. I will say further that other assistant salmon agents do not agree with him.

The CHAIRMAN. Have reports been sent in to that effect by Mr. Cobb, with reports to the contrary from others?

Dr. EVERMANN. Mr. Cobb had made reports to that effect. Many complaints have come to the bureau from various places in southeast Alaska, particularly Ketchikan and Juneau and from the halibut fishermen, claiming that they have difficulty in getting the bait which they need in their halibut fishing. Those complaints are no doubt justified to some extent and certainly are justified in their judgment. Whether they are in error in their judgment, whether they have made

sufficient effort to secure halibut or otherwise, I do not know. Mr. Spuhn says he is perfectly able to furnish all the bait for halibut the gentlemen want if they will only come to him.

Senator BOURNE. Mr. Chairman, just in this connection I would like to insert in the hearings Exhibit 5 in the statement of the Alaska Oil & Guano Co., as exhibited by the actual operation of the catch of this company. The exhibit is unanswerable, provided they have the same facilities for catching and fished as extensively for the whole period of 10 years.

The exhibit is as follows:

EXHIBIT 5.

PORTLAND, OREG., December 1, 1910.

Catches of herring of the Alaska Oil & Guano Co. at Killisnoo, Alaska.

	Pounds.
1900.....	9, 896, 800
1901.....	9, 820, 800
1902.....	6, 320, 200
1903.....	7, 786, 600
1904.....	11, 717, 600
1905.....	9, 748, 200
1906.....	6, 719, 400
1907.....	4, 959, 200
1908.....	7, 512, 000
1909.....	10, 403, 600
1910.....	11, 783, 800

The CHAIRMAN. I understand they have had practically the same equipment during all these years.

Senator BOURNE. You have facts here, demonstrations, as against theories.

Senator OVERMAN. Is there any purpose to enlarge your plant?

Mr. SNOW. No, sir. We have not any money to enlarge it, Senator.

Senator OVERMAN. It is paying about 10 per cent a year.

Mr. SNOW. Oh, no. We have been in business 23 years, since 1889, and during that period, while we have had some little surplus we put back into the property, we have had to renew lots of our property. We have to rebuild the wharf there every so often. As I stated, in 1909 we put in ten or twelve thousand dollars in an improved cooking plant and improved machinery secured from the East. Outside of that we have paid since 1889, \$22,500 to our stockholders, \$15,000 of which was paid out of the 1911 catch.

Touching this question, I think probably it ought to be noted where our operations are. Alaska is a very great country and one about which there can be, and usually is, a great misapprehension. While our own observation and experience of the herring industry is confined to what we call southeastern Alaska—to a stretch of country approximately 350 miles—our understanding is that the herring is found from Dixon Entrance on the south to Bering Sea on the north, a stretch of water of 3,000 miles. We figured it out to-day that that would be about 3,000 miles of coast. How much of the herring may be caught away north of us we, of course, can not know. We do not invade the waters of Juneau, Ketchikan, Sitka, Skagway, or Wrangell.

The CHAIRMAN. How far are you from Ketchikan?

Mr. SNOW. It is hard to say. Probably a couple of hundred miles.

Dr. EVERMANN. I should say between 175 and 200 miles; over 75 miles from Juneau.

Mr. SNOW. Take the Juneau fisherman—when the Juneau fisherman says our catch in Alaska interferes with his catch, how can he know that? How can he know the fish he is catching ever invade our waters and how can he know the fish we are catching ever invade his waters?

Speaking of bait for halibut—we are prepared and do supply the halibut with bait. Any time the halibut fisherman comes to our plant for bait he can get it; that is fresh bait; I do not mean the live bait. During the year 1909 we supplied bait to the halibut fishermen to the extent approximately of 800 barrels of fish.

Senator BOURNE. Gratuitously?

Mr. SNOW. Oh, no. We charged for it.

Senator OVERMAN. That was for bait purposes?

Mr. SNOW. For bait purposes; yes, sir.

Senator OVERMAN. Doctor, what is the habit of the herring fish? Where do they spawn and when?

Dr. EVERMANN. In southern Alaska they are believed to spawn in May chiefly.

Mr. SNOW. Our fishing begins approximately June 15. We do not undertake to do any fishing until after the spawning season is over. From June 15 down to about October 15 we can catch some fish, and our catch, of course, varies.

Senator OVERMAN. You do not catch any fish during the spawning season?

Mr. SNOW. No, sir.

Dr. EVERMANN. If I may be permitted, I would like to give some figures regarding the quantity of herring used for bait in 1911 in southeast Alaska. In southeast Alaska, in 1911, 1,139,850 pounds were used fresh for bait and 750,146 pounds of frozen bait. That was all in southeast Alaska. In the same year your company used in fertilizer 3,520,000 pounds—that is, manufactured pounds—worth \$61,600, and 343,000 gallons of herring oil, worth \$75,460, or a total of \$137,060 worth of product in 1911.

Senator OVERMAN. You mean that is the value of the product?

Dr. EVERMANN. Yes, sir.

Senator BOURNE. That is the gross value.

Senator OVERMAN. If that is the gross value, it seems to me there is great profit to the company.

Mr. SNOW. I may answer that by saying that no business in Alaska can be carried on on any cheap scale. It is an expensive business. Take our guano and oil, it is all marketed on the Pacific coast. Our guano is of course a food-producing product; it increases the food supply. That guano has been used in the Hawaiian Islands and on the California orange fields and sometimes in Asiatic ports. We sell to the dealer on the Pacific coast, and he distributes. Our oil market is limited. Our oil market is sold practically to a Portland and San Francisco buyer. Whenever we can get a freight rate into the New York market whereby, for instance, we can send our guano and our oil by the Panama Canal, possibly we may hope to have some sort of different changes and conditions, but you take the freight on guano and the freight on oil from Puget Sound ports east and there would not be anything.

The CHAIRMAN. Your freight rate to Puget Sound points is very small, is it not?

Mr. SNOW. Well, we think it is a high rate.

The CHAIRMAN. It is water transportation both ways, is it not?

Mr. SNOW. It is water transportation both ways. Of course, I can not give you the rate. There is practically three and a half to four months' fishing, and during that time we catch whatever fish we can catch and we manufacture whatever products we can manufacture.

The CHAIRMAN. How many people do you employ?

Mr. SNOW. We employ, distributed in that country—we pay out in wages, approximately, in that country \$40,000 a year. A large part of that amount goes to the Indians; part of it to skilled laborers we get from the neighboring territory.

The CHAIRMAN. That is, the labor cost of getting this \$100,000 product is about \$40,000?

Mr. SNOW. Yes.

The CHAIRMAN. What are the other expenses?

Mr. SNOW. Well, we have the expense of fuel, which is a very important factor?

The CHAIRMAN. How much is that? Have you any idea what that would be for three or four months?

Mr. SNOW. No; I could not give that.

The CHAIRMAN. What fuel do you use?

Mr. SNOW. We use now coal. We used wood until the Forestry Service imposed such conditions—stumpage values, and so on—that we could not longer use it.

The CHAIRMAN. Do you know how many tons of coal you use?

Mr. SNOW. No, sir.

Senator OVERMAN. You get your coal right there, do you not?

The CHAIRMAN. You can not get any coal in Alaska. There is lots of it there, but you can not get it out.

Well, now, go ahead, Mr. Snow, and give any other objections you have to this proposition.

Mr. SNOW. As I say, the bill as at present drawn is utterly confiscatory of our plant. If we were to close down in two years you might just as well say, "Close down to-morrow." You might as just well say, "Shut up; take what you can get in the way of salvage out of the plant and quit." As I understand it, so far as the herring is known, there is little known of the habits of the herring. There has been very little investigation made of the habits of the herring, and I think one reason—the Bureau of Fisheries has not had enough money for that purpose.

If we are going to close out, as I say, in two years, you might as well close us out now; and we would lose this \$100,000 investment, deducting what we have already received in the way of dividends, and we would lose the interest on our money.

My own views are, so far as you can tell from the lack of scientific investigation touching the herring, that it is a mistake now to undertake to legislate on the herring. Still, this thing is coming up each year. It is a question of whether or not we should go on and use the herring for the purposes for which we are using it, and so if you are going to legislate on it we want time to recoup for the many, many lean years we have had in the business. The question is, What time shall that be?

The CHAIRMAN. Can you give us any idea of what your profit is when you get out about 11,000,000 pounds in a year? What was your profit that year?

Senator BOURNE. That was 1910.

Mr. SNOW. 1911 was the high year. I am guessing as to the figures now, but I would say approximately \$25,000.

The CHAIRMAN. That is 25 per cent.

Mr. SNOW. Approximately; yes.

Senator BOURNE. Twenty-five per cent net?

Mr. SNOW. Probably; yes, sir; for 1911.

Senator BOURNE. So that if you had four years following that probably you would duplicate your investment.

Mr. SNOW. We would probably get our money back.

Senator BOURNE. But in two years you would get only 50 per cent of it.

Mr. SNOW. If we can have the same conditions.

Senator BOURNE. I am assuming that.

Mr. SNOW. Yes. Of course the last year's market both for oil and guano was a very good market. We got good prices. I want to say now that as a rule we sell our product in advance of production.

Senator BOURNE. To be delivered where?

Mr. SNOW. F. o. b. Killisnoo. Last year we sold our product approximately \$37 a ton for guano and since then guano has gone down \$6 or \$7 a ton. The buyer has lost that much money. He bought it on an advancing market and we sold on an advancing market and we delivered to him last fall or winter when we delivered and he has the product now on his hands. Of course we can not always rely on any such price as we got last year.

Senator BOURNE. Of course that question enters into all business, as you know.

Mr. SNOW. You were asking, Senator, the number of years.

Senator OVERMAN. What is your estimate of the time it would take? What number of years do you desire?

Senator BOURNE. He asks for 10 years.

Mr. SNOW. I ask that at least 10 years be given us to close up this business and to operate and to try to make some money out of the business, and I will say to the committee now that if I could be assured—and I would rather have the thing known—that if I could be assured, for instance, that we would continue for a time of 10 years——

Senator BOURNE. You would then scrap.

Mr. SNOW. Then we would scrap, Senator.

Senator BOURNE. And you will ask for no relief from the Government in any way?

Mr. SNOW. No, sir.

Senator OVERMAN. Why could you not move that plant up to one of the factories in my State?

Senator BOURNE. Your business is much more concentrated.

Senator OVERMAN. You say the largest salmon factory would not furnish you enough waste?

Mr. SNOW. No, sir; it would not.

The CHAIRMAN. Doctor, how many canneries are there in a stretch of 100 miles down there in southeast Alaska?

Dr. EVERMANN. Probably not more than 15 or 18.

The CHAIRMAN. You think there is a stretch of 100 miles in which 15 or 18 canneries would be found?

Dr. EVERMANN. I think so.

Mr. CHAMBERLAIN. I should say there were half that many.

Dr. EVERMANN. Take 100 miles each way from Killisnoo.

Senator BOURNE. No; take 50 miles each way from Killisnoo.

Dr. EVERMANN. There would not be that many then.

The CHAIRMAN. Is there in any other stretch that number? That is, in any other stretch of 100 miles would they be more thickly located? Could they locate in another place where they could get offal from a dozen or fifteen canneries?

Dr. EVERMANN. I doubt very much if any company could go into the business of utilizing the scrap and offal and make it profitable. The canneries are so widely separated, and the material would have to be taken from the cannery to the fertilizer factory, and so on, and the cost would, I think, be prohibitive.

Senator BOURNE. As I understand, you suggest for the consideration of the subcommittee that the word "fourteen" be stricken out on line 7, page 14 of the bill, and the word "twenty-two" be inserted in lieu thereof, so that it would then read: "after January first, nineteen hundred and twenty-two, be regarded such wanton waste."

Mr. SNOW. I ask that; yes.

Senator BOURNE. You also submit for the consideration of the committee the striking out, in case they decline to adopt that proposed amendment, on line 3, page 14, beginning with the words "and the utilization," and lines 4, 5, 6, 7, and 8, so that the paragraph, section 9, would then read:

That it shall be unlawful for any person wantonly to waste or destroy salmon or other food fishes taken or caught in any of the waters of Alaska.

Mr. SNOW. Yes. That is the first suggestion, and the second suggestion is the time limit.

The CHAIRMAN. That is, the first one leaves no time limit; the second amendment fixes a time limit.

Mr. SNOW. Yes.

Senator BOURNE. It makes the law prohibitive after 1922.

Mr. SNOW. In the pamphlet which I have filed, this same subject is referred to, and the suggestion of some 15 years is mentioned, as I remember it. Since that pamphlet was filed, of course, there has been a certain idea of conservation gone abroad in the land and a great deal of talk about the conservation of the resources of the country. I have not suggested that 10 years' limit without due consideration. I think it is absolutely necessary for us to have that, and I am willing to take a chance on that; but I do not feel that we should be compelled to take a chance on less than that.

The CHAIRMAN. You think with that limit there would be no new plants established?

Mr. SNOW. Frankly, I do not think so.

Senator OVERMAN. You do not propose to enlarge your plant? Your average would never be higher than 11,000,000 pounds, would it?

Mr. SNOW. Whatever fish we can catch, we are going to catch.

Senator OVERMAN. Of course.

Senator BOURNE. During that limited period.

Mr. SNOW. Sometimes the supply is greater and sometimes it is less. We will go to a given fishing ground and not catch a fish, and a few miles away we will catch a school, and 10 or 15 farther catch another

school. There is no determining as to exactly where that fish is going to be.

So far as enlarging the plant is concerned, I can say to you that there is no intention as to that.

Senator BOURNE. Can you file with the committee a statement showing the distribution of your gross earnings? You have stated that \$40,000 went to labor. You do not know what amount goes to freight; you do not know what amount goes to fuel, and so on. To my mind there is an apparent discrepancy in your statements. You say that \$30,000 represents the dividends paid by your company in 23 years, and then you say that \$25 000 was the profit in one year.

Mr. SNOW. That was pretty nearly all made in that one year, Senator.

The CHAIRMAN. Did you not make something when you got 10,000,000 pounds in 1909 and 11,000,000 in 1910?

Mr. SNOW. Our first dividend was 4 per cent for the catch of 1909; our second dividend was 6 per cent for the catch of 1910; our third dividend was 10 per cent for 1911. That makes 20 per cent; and then we learned of the present pending bill, and we distributed another 10 per cent, which we had intended to expend for a steamer and for other improvements.

Senator BOURNE. I think it would be of value to the committee in their consideration of the matter to have the information as to what distribution you make in the way of purchase of supplies, for labor, etc. Do you not think so, Mr. Chairman?

Mr. SNOW. I will file that.

The CHAIRMAN. I think so; although I do not know as that goes to the point as to whether or not the fishing for herring is a detriment to the fish supply.

Senator BOURNE. I think we have the best possible information on that in the statement for 10 years. We have nothing against that except theory, unless the doctor has some actual demonstrations.

Mr. SNOW. In this report which I have filed there is included statistics as to the catch of herring in Alaska, Norway, Holland, and Scotland, which it strikes me is an important factor in determining the question as to whether or not our catch is causing a diminution of the supply. The king salmon in that country, for instance, is the only salmon that probably feeds on these herring. Is not that true?

Dr. EVERMANN. Probably so.

Mr. SNOW. The other salmon in the country, the pinks, sockeye, and cohoes, all these go in there to spawn. The king salmon gets in there to feed. The halibut feed on herring. During the period of the last three or four years, say, or within the last comparatively few years, the fishing industry has been rapidly and markedly developed, and during this period the catch and pack of the king salmon has increased. The catch and pack of halibut is increasing. If I am not right, Dr. Evermann will correct me.

Dr. EVERMANN. Yes, sir.

Mr. SNOW. All this while we have been catching our herring. It seems to me the best evidence of the fact that we are not depleting the supply is the fact that the supply is getting better all the while—the salmon catch is increasing all the while. If we concede that halibut, as well as salmon, feed on herring, and the catch of salmon and halibut are increasing, what can they say against a little plant like ours

located, as it is, on one stretch of 100 miles out of 3,500 miles of sea-coast? Can it deplete the supply? And yet I say, if necessary, and the committee feels that some action of this kind should be taken, you should allow us at least 10 years to close out our business.

I want to say this, too: The other day I was talking with a gentleman in Washington touching the subject of the fishing industry and the herring industry, and he suggested to me that there was some salting or pickling of the herring for Japanese trade at Ketchikan. I had not understood that there was any practical business of that kind at Ketchikan. I had supposed that the Ketchikan business was devoted entirely to the catching of herring for bait purposes. I wired for information as to that fact, and I would like to lay this telegram before the committee. It is from Portland and is directed to me:

[Night letter.]

THE WESTERN UNION TELEGRAPH Co.,
Portland, Oreg., April 10, 1912.

ZERA SNOW,
Hotel Occidental, or care Senator Bourne,
Washington, D. C.:

Understand Ketchikan export to Japan about 2,000 tons dry-salted herring. Consider this business in an experimental stage. It can only be done in late fall or winter when herring are without noxious feed. Believe demand for pickled herring overestimated. Think 3,000 barrels would fully supply the Western States. Eastern markets not available; account, high freight rate. Think statistics show that Killisnoo exports more pickled herring than the balance of Alaska put together.

CARL SPURN.

I desire to say that there has been no scientific investigation touching the herring or its habits, whether they come into Alaskan waters to spawn merely, and having fulfilled the law of their creation die, is unknown. In fact, there is no scientific knowledge at all touching the herring. Every year millions of the fish die and are found floating on the surface, but whether this is due to natural causes or is caused by the food of the herring is unknown. Any industry which involves the catching of this fish before it dies and converting it into a valuable product should be encouraged rather than discouraged. This whole subject is discussed by our president in the pamphlet I have filed, and his views are expressed after 30 years in that country, and some degree of knowledge on his part, I take it, may be assumed.

The CHAIRMAN. Is there anything more, Mr. Snow?

Senator BOURNE. I would like to ask Dr. Evermann a question—taking the 50-mile stretch each way from the Alaska Oil & Guano Co.'s factory, how many people reside in that stretch of coast of 50 miles each way from this factory? Have you any idea, Doctor?

Dr. EVERMANN. No, sir.

Senator BOURNE. Have you, Mr. Chamberlain?

Mr. CHAMBERLAIN. Nothing definite; no, sir.

Senator BOURNE. Could you give a guess that would be based upon any definite knowledge? Is it very sparsely settled?

Mr. CHAMBERLAIN. Very sparsely; yes, sir.

Dr. EVERMANN. I should say there were very few people in that area except those there to put up herring and other things; those sent there temporarily.

The CHAIRMAN. Have you any suggestions to offer, Dr. Evermann? You have heard what Mr. Snow has said.

Dr. EVERMANN. I would like to say just one word on one point Mr. Snow mentioned, regarding the king-salmon fisheries in the vicinity of Ketchikan. The catch of king salmon in that vicinity in recent years has been larger than in earlier years, but it is due to the fact that not until recently have people learned that they could get king salmon by trolling—by fishing with hook and line. Since that was discovered there has developed and been built up a considerable king-salmon-fishing business.

Senator BOURNE. By hook and line?

Dr. EVERMANN. Yes, sir.

Senator BOURNE. That is interesting.

Dr. EVERMANN. It is. Some of the complaint against the utilization of herring for fertilizer comes from this new king-salmon fishing. That, of course, is a just complaint if it interferes with the food supply of the king salmon—if the schools of herring upon which the king salmon feed are wiped out.

Senator BOURNE. For how long a period can they troll for the king salmon with hook and line?

Dr. EVERMANN. I understand they have been able to get king salmon practically every month in the year.

Senator BOURNE. How large do they run there?

Dr. EVERMANN. In size—individual fish?

Senator BOURNE. Yes.

Dr. EVERMANN. I think I have a record of one 65 pounds.

Mr. SNOW. Dr. Evermann, have you any idea that what we catch in and about the Killisnoo country has ever been in Ketchikan waters?

Dr. EVERMANN. I do not know a thing about it. We have nothing to show the migration route.

Mr. SNOW. Or that any herring caught about Ketchikan has been in our waters?

Dr. EVERMANN. I would not know anything about that at all.

Mr. SNOW. The fact is, as I understand it, that scientific investigation touching the herring and its habits of life is very limited.

Dr. EVERMANN. As far as the Alaskan herring, they are limited.

Mr. SNOW. I am talking about the Alaskan herring.

The CHAIRMAN. As I understand it, the department has really no facts upon which to base future opinion as to the injury that may be done to the herring supply by this plant.

Dr. EVERMANN. It is largely a conclusion reached from analogy.

The CHAIRMAN. Analogy based on what?

Dr. EVERMANN. Well, the shad and the salmon and various other migratory species. The shad would be a good illustration. There were at one time splendid runs of shad in the Connecticut River and in a number of rivers in New England and in the Hudson River. Now the run of shad in those streams is practically nil, and yet it is the same species found on the lower Atlantic coast.

The CHAIRMAN. It would seem that when the supply is once exhausted they do not replace.

Dr. EVERMANN. We can easily see how that would be true. Take the shad of the Atlantic coast—if it is made up of a number of individual schools of shad and one of these schools runs into the Connecticut River or lays its eggs there, propagates there, and the shad after hatching as a result come out of that river to the ocean

and then go back to the stream, you can see that overfishing in the Connecticut River would affect the shad in that stream.

Senator BOURNE. That would be true in a river where there can be overfishing; but would it be the case on the Alaskan coast?

Dr. EVERMANN. It would be easier to exterminate the shad on a particular portion of the coast or in a particular stream than to exterminate the herring in that particular region.

The CHAIRMAN. What do you think of this suggestion of 10 years?

Dr. EVERMANN. It is hard to say what would be right. If the fishing for herring in that region should be carried on so assiduously as to deplete the schools, that depletion could be brought about in a shorter period than 10 years.

The CHAIRMAN. It goes without saying that it could be done.

Dr. EVERMANN. It would be too late then to lock the doors. I should say this: That a shorter period than that, some time before 1922, if agreed upon, would probably be agreed upon as a precautionary measure.

Mr. SNOW. Without any assurance of fact that that shorter period is an absolute necessity. That is effective, is it not?

Dr. EVERMANN. I could not say—I would not say that it is not a necessity.

Senator BOURNE. It is simply a theory.

The CHAIRMAN. I think we understand the situation as far as it can be shown. Unless the doctor has some other suggestion to make or Mr. Snow has something more to offer, we will adjourn.

Mr. SNOW. I understand the committee desires a statement from me as to the disposition of our funds. I will send that.

The CHAIRMAN. If anything further occurs to you, Mr. Snow, that you would like to put into the record, just send that too.

Mr. SNOW. I may desire to cut down this pamphlet and boil it down with certain facts. If I do I shall send that at that time also.

Thereupon, at 3 o'clock and 30 minutes p. m., the subcommittee adjourned.

FRIDAY, APRIL 26, 1912.

COMMITTEE ON FISHERIES,
UNITED STATES SENATE,
Senate Office Building, Washington, D. C.

The subcommittee met at 10.30 a. m.

Present: Senators Jones (chairman), Bourne, and Overman.

Also appeared: Hon. Walter E. Clark, governor of Alaska; Mr. John Sydney Webb, Mr. A. E. Browne, Mr. J. F. Moser, and Mr. Charles W. Dorr.

STATEMENT OF HON. WALTER E. CLARK, GOVERNOR OF ALASKA.

The CHAIRMAN. Governor, you may proceed and give us any suggestions you have to make in reference to Senate bill 5856.

Gov. CLARK. It will not be necessary for me to detain the committee very long.

My purpose from the beginning of the discussion of this bill has been to make a rather general statement for the consideration of the

committee, in order to call attention to the general urgency of some legislation for the further regulation of the salmon fisheries in Alaska.

The mere fact that there has been very recently a large increase in the output of canned salmon, and that there is a prospect of a still larger increase in the near future, emphasizes, it seems to me, the need for some further measures for the perpetuation of the industry; for the conservation of this great natural resource of Alaska. There has been a great deal of misapplied conservation in Alaska, and the word is not altogether very popular in the Territory, but when I see so rich and valuable a resource as the fisheries threatened to some extent, greater or lesser, by overfishing and by the lack of certain necessary restrictive measures I come pretty near being an extreme conservationist myself so far as this one thing is concerned.

I am aware of the fact that some of my friends among the packers—and many of them are my personal friends—have thought that I was very unwise in recommending legislation of this character; at least legislation that goes so far as this does. My answer would be that I believe, while it is the desire of all of us, of everyone connected with the Government or Congress, to protect the interests of the people, it is my desire that this industry shall be perpetuated also for the benefit of the people who are engaged in it; and I believe that when I talk of conserving the supply of fish my motive ought to be regarded by the packers as a very friendly one, and really in their interests as well as that of the people, in the long run.

The output of canned salmon in Alaska for the year 1911 was 2,843,894 cases. That is a considerable increase over the output for 1910, when the total number of cases was 2,438,777. The value of the 1911 pack I have not here. The value of the pack in 1910 is supposed to have been \$11,086,322.

The CHAIRMAN. Where do you get the data you are giving us now, Governor?

Gov. CLARK. This data in both cases is from the Bureau of Fisheries.

On account of the very much higher prices, on the average, that were received for the pack of 1911, as compared with the pack of 1910, the gross value of the pack was considerably greater, reaching, I think, between \$14,000,000 and \$15,000,000. The last two or three years have been very prosperous ones for a majority of the salmon packers. They have been encouraged by high prices and by good runs of fish in most of the streams. This is so much the case that the prospect is that there will be a large number of new canneries in Alaska this year.

I have here a newspaper statement in regard to the prospective new canneries, which some weeks ago was published in the press in Alaska and I think some papers on Puget Sound. It is to the effect that 32 new canneries for Alaska were contemplated in 1912. Very likely all of those will not materialize this year. I do not know. The story which is published, however, is very circumstantial, going so far as to give the names of the persons or companies interested in each case and in several cases giving the proposed capacity of the plant and the amount of capital invested.

The CHAIRMAN. Would you like to put that statement into the record?

Gov. CLARK. Yes, sir. I would like to call attention to one or two details and then I would like to have the whole thing put into the record.

According to this statement, 30 new stationary canneries are to be established this year and two floating canneries, having on the average a capacity of something like 48,000 cases each. The output of canned salmon would be thereby increased in 1912 by 1,550,000 cases. That is an increase of 54 per cent, as compared with the output of 1911.

The article is as follows:

NEW CANNERIES FOR ALASKA THIS YEAR.

[Special to Daily Alaskan.]

SEATTLE, *February 20.*

With no fewer than 30 new salmon canneries and 2 new floating canneries to be built and operated in Alaska this season, no such activity has ever been seen in the salmon business. Preparations are being made for new canneries in Alaska alone which will have an output of no less than 1,550,000 cases of fish, or as much as was packed on Puget Sound last season, the biggest pack ever known.

Should the new plants put up as much fish as planned, the Alaska pack of canned salmon this year will be increased about one-third.

The 32 plants, most of which are now purchasing supplies and outfits in Seattle, will mean the expenditure during the next three months of at least \$2,000,000 in addition to the investments that will be made by 100 or more purse seiners and fishermen for outfits and season's supplies.

Cannery men declare that if 10 of the plants proposed are actually built and put up a full pack, the increased output will offset the shortage almost certain to develop on Puget Sound this season, when fish of all kinds run in limited numbers.

Among the plants proposed for Alaska this year are the following:

H. Bell Irving interests, of Vancouver, British Columbia, plan to put up a new cannery at Port Graham.

The Alaska Coast Fish Co., organized by Portland men, will erect a cannery in southeastern Alaska.

Aberdeen men have organized the Seabeach Packing Co. and intend to put up a cannery on Controller Bay.

P. L. Hunt has organized the Kuiu Island Packing Co. to build a cannery on Kuiu Island. The cannery will have a capacity of 40,000 to 50,000 cases.

The Admiralty Trading Co. has been organized to build and operate a cannery on Admiralty Inlet, in southeastern Alaska.

A. W. Thomas and others, now interested at Ketchikan, contemplate operating a salmon cannery at the same point this season.

Munley & Morehouse, of Portland, are planning a cannery in southeastern Alaska.

The Welding & Independent Fisheries Co. has been organized for the purpose of converting the barge W. H. Smith into a floating cannery.

George Irving is manager of a cannery company now putting in a plant at Karhleen, southeastern Alaska.

The Hoonah Packing Co. is erecting a cannery at Hoonah, also in southeastern Alaska.

Gorman & Co. and O. P. Brown have organized the Port Heiden Packing Co., and will erect a cannery at Port Heiden, Bristol Bay.

Herbert Hume is buying machinery for a cannery plant to be built at some point in southeastern Alaska.

E. Weise and others will build a plant near Ketchikan.

The Lindenberg Packing Co., which has one cannery at Rie Point, plans to erect another, bringing their output up to 150,000 cases.

The Point Warde Packing Co., of which W. R. Grant is manager, will build a cannery at Baranoff Island, and expects to pack from 40,000 to 50,000 cases.

The Pure Food Fish Co. will build a cannery at Ketchikan.

The Straits Fisheries Co., of Seattle, is outfitting a floating cannery to be operated in southeastern Alaska.

Libby, McNeil & Libby, of Chicago, propose to erect two canneries, one at Nelson's Lagoon and one at Kenai.

C. A. Burkhardt and others connected with the Alaska Pacific Fisheries are planning to build a cannery on Moira Island.

P. D. Blodgett, of Kodiak, and J. M. Blinn, of Auburn, and others have organized the Kodiak Fisheries Co., to build a 50,000-case plant at Kodiak.

The Pacific Sea Products Co., of Seattle, is putting in a cannery at Nakat Point.

The Pacific American Fisheries Co. contemplates erecting two, and possibly three, new canneries in Alaska.

Max Johnson and others, of Olympia, are having plans drawn for a cannery to be built at Karta Bay.

March & Olevison, of Portland, contemplate putting up a plant in southeastern Alaska.

I am very deeply impressed with the belief that we have not any waters in the United States, in Alaska, or elsewhere that can stand the drain of such additional fishing, provided we proceed under the present law and the present restrictions. My own opinion is that we have salmon canneries enough in Alaska now, unless possibly a few more could be established in selected localities.

The CHAIRMAN. How many canneries are there now?

Gov. CLARK. Perhaps some gentleman present can give that accurately. There were 52 canneries in 1910. Informally I was informed by Mr. Cobb, the assistant agent for Alaskan fisheries, that 13 new canneries were established last year. If that is the case, it would bring the present number, not counting those that may have been established this spring, up to 65. In 1910, 23 of these were in southeast Alaska, and 8 or 9 of the 13 established last year were established in southeast Alaska.

I am so strongly of the belief that the establishment of this large number of additional canneries under the present law would result in serious overfishing that I regarded it essential, if found possible or feasible, last year to pass a certain restrictive measure that was proposed by the Bureau of Fisheries. This was that hereafter no further canneries should be established and the capacity of no present cannery should be enlarged or extended without the permission of the Secretary of Commerce and Labor in each case; application for a license or permit to include a statement of the capital to be invested, the capacity of the plant, and the location of the plant.

I can appreciate readily that there was an opportunity for discussion as to the legality of the proposed measure within constitutional limits. I regret it if it is not possible, under the law or the Constitution, to enact such a provision.

Such a provision is in successful operation in British Columbia, and packers who are operating both in British Columbia and Alaska—at least two of them—have informed me that the plan works very well in British Columbia waters and would be a good thing for us. The obvious objection to it, or rather the objection which has most frequently been urged, is that this would tend to a monopoly of the salmon packers who are already established in Alaska, and that it would not give anybody else a chance. Of course, the great advantage and the only advantage claimed for it is that it would prevent overfishing, especially in certain localities where too many canneries are likely to be crowded into a small area.

If a fatal objection is found to that plan I do not know whether it would be possible to accomplish the same result by other means or not. I hope so. Because if half of these contemplated new canneries reported in this newspaper article should be established in Alaska, unless they are distributed with a great deal of judgment and a great deal of consideration for possible evils of overfishing in certain localities, I think there is no doubt that we would be catching too many fish and that the supply of fish could not stand the drain that would be made upon those waters.

There are two or three provisions of this pending bill which stand out above all others in relative importance. The provision which is perhaps of greatest importance ordinarily is the limitation upon the capacity or effectiveness of fish traps. It is proposed by this measure to abolish what is known as the jigger on fish traps.

The CHAIRMAN. That is in section 4, at the top of page 9, of the bill.

Gov. CLARK. I will read it.

No lead or pound shall be constructed with a bent or recurved end or "jigger" directed or turned toward the opening of the trap.

Now, there are a great many things connected with the business of fishing and salmon canning which I do not pretend to understand intimately or know any more about than the ordinary citizen or resident of Alaska who is not actually engaged in fishing; but it is represented by the Bureau of Fisheries, and is not denied, that the so-called jigger renders the fish trap a great deal more effective than it would be without it. It does not give the salmon the same opportunity to get up the stream.

The CHAIRMAN. I wish you would describe a fish trap so it would appear in the record, Governor, as definitely as you can, so that the person who has never seen one can get some idea of what it is and how it works.

Gov. CLARK. It could best be done by a diagram, but perhaps I can give a description. A better description no doubt could be given by officers of the Bureau of Fisheries when they are heard.

The CHAIRMAN. You can just let it go until then. However, describe it in general terms, if you desire.

Gov. CLARK. A fish trap is established by a series of piling at some little distance from the shore with a barrier reaching to the shore. The position of the fish trap with reference to the width of the stream is fixed by law and regulation at the present time. The jigger is a series of piling, usually curved, at one corner or on the side of the fish trap, so that fish approaching the trap diagonally which would escape and get by the corner of the trap and up the stream where they would spawn are stopped in a great many cases by this projection or jigger which projects from the corner.

The CHAIRMAN. It is something like a hook, is it not?

Gov. CLARK. Yes, it is something like a hook. The fact is that this curve tends to cause the fish to swing around inward towards the trap. Of course, the run of these fish is sometimes very large and the water is literally filled with them and the fish get into a whirl and by the time they have gone around half a dozen times they are a great deal more likely to be caught if a jigger is on the trap than they are to go around the end of the trap.

The CHAIRMAN. That is, if the jigger were not there the fish would pass around the corner and get away, while the jigger forces them back into the course which they have originally taken and thus into the trap. If a fish misses the opening once, it is apt to be thrown around the same course and caught in the trap?

Gov. CLARK. Precisely.

I do not attempt to say how much more effective the fish trap is with the jigger on it than without the jigger. I have heard it stated broadly as about 50 per cent more effective. That I do not give as an arbitrary estimate of the added effectiveness; but I know that

a fish trap is vastly more effective with the jigger on than without the jigger.

There is a great deal of complaint about fish traps. In times past there has been a great deal of discussion as to the advisability of abolishing traps altogether. I do not believe in it; I do not believe the Bureau of Fisheries has any sympathy for the agitation in favor of abolishing these traps. I do believe that this provision that the jigger shall be done away with is very wise, because it simply gives a comparatively few fish, which otherwise would miss the corner of the trap if the jigger were not there, an opportunity to get up the stream and propagate the species by spawning.

The CHAIRMAN. Are these jiggers generally used on traps?

Gov. CLARK. I think their use is pretty general. I can not say as to just what extent.

Mr. MOSHER. They are used on all traps. Practically all the fishing in Puget Sound is done with traps that have jiggers. You are right in calling it a hook, too. That term can well be applied to what is termed the jigger. The jigger is really an appendage of the pot. The hook is at the end of the lead. They have tried to abolish the jigger for a number of years on Puget Sound, but have never succeeded.

Gov. CLARK. In this connection I would like to speak of the other methods of taking salmon without the use of a fish trap. Very generally throughout the Ketchikan and Wrangell districts in Alaska purse seines instead of traps are used.

Speaking of the complaints against the use of fish traps I would say that I have heard more complaints from Indians, natives of Alaska, than anybody else in regard to this method of fishing. I merely mention this as a fact and without comment.

The Indians complain of the fish traps because where seines are used instead of traps Indians are more largely employed, and they are not employed as extensively in connection with traps as with the use of seines. The use of the purse seine in the Wrangell and Ketchikan districts is very prevalent. One cannery—the Myers cannery—at Sitkoh Bay, off Chatham Strait, paid in wages to Indians last year about \$30,000. Indians were employed in connection with purse seines, that cannery having no traps. Of course, from the standpoint of the residents and the people of Alaska, I think they would like to see purse seines used. Labor is employed; the kind of labor that spends its money in Alaska. I think for that reason the use of the purse seine should be encouraged, at least where it is being used, and for the further reason that where we have a purse seine we do not have a trap, and under the present law a trap with a jigger on it. I think this tax on purse seines provided by the bill should either be greatly reduced or should be struck out altogether. The tax on purse seines as proposed by the bill is 30 cents a fathom. Purse seines are all the way from 200 fathoms up, so that it will be seen that this tax, considering the effectiveness of the purse seine as compared with the traps, is very high indeed. Take a purse seine 200 fathoms long, which is by no means a large one, and a tax of 30 cents a fathom would be \$60.

The tax which we propose on fish traps, which are infinitely more effective, is only \$100 a year.

For the reason that I believe on general principles the use of the purse seine should be encouraged; for the further reason that the use

of the purse seine gives employment to a great many Indians, natives of Alaska, who need the work and who spend their money in Alaska, I would be glad to see that tax very greatly reduced, indeed, if not struck out altogether.

The CHAIRMAN. Do you know what the tax is now on purse seines?

Gov. CLARK. I believe there is no tax.

The CHAIRMAN. There is no tax at all?

Gov. CLARK. There is no tax on any gear, Senator.

I want to go still further and say that I think—there is abundant precedent for it; it is done in the State of Washington, on Puget Sound—we should approach the subject of taxing fishing gear with a great deal of caution and with a great deal of consideration for the legitimate interests of the packers and for the interests of labor in Alaska.

The tax on fish traps, it seems to me, is in rather a different classification than the proposed tax on seines and minor gear. A fish trap is an essential in very large part to a fish-packing plant in Alaska. You might compare it to a factory. You might compare it in importance at least to the sawmill, which is frequently connected with the cannery, and the sawmill as such is taxed. That is, it pays a license fee. But I think the Government might afford to be very reasonable in regard to taxes on minor gear used in the fisheries, especially for the reasons I have given in regard to the tax on purse seines.

The CHAIRMAN. Can you tell us about what the average cost is of putting in a trap?

Gov. CLARK. I can not; but some of the gentlemen present no doubt can tell us.

Mr. Moser, I am sure, can tell us.

Mr. MOSER. On Puget Sound it costs from \$5,000 to \$9,000 to put in a trap.

The CHAIRMAN. How often do these traps have to be replaced?

Mr. MOSER. The web, if well cared for, will last about three years. We are now using a large quantity of wire netting in the leads which at the end of the fishing season is destroyed.

The CHAIRMAN. That is put in every year?

Mr. MOSER. Yes, sir; that is put in every year.

The CHAIRMAN. How long does the piling last?

Mr. MOSER. The piling is changed according to its condition and service. The first year it is put into the pots, the second or third year it goes in the leads, so that it is used about four or five years.

Gov. CLARK. I might proceed, Mr. Chairman, to a brief discussion of the provisions regarding taxes, the tax on the finished product.

The CHAIRMAN. That is one of the important features of this bill.

Gov. CLARK. Yes. Perhaps if I were to attempt to take up these provisions in the order of importance, I should have mentioned that first.

Always since we have had fish taxes in Alaska the tax on canned salmon has been uniformly 4 cents per case without reference to the value of the case, which, of course, varies greatly. This year I believe the value of red salmon has reached a price as high as \$7.25, or approximately that. The lowest grade of salmon sold I think has been over \$4 a case.

The CHAIRMAN. It might be well to just describe a case of salmon at this point.

Gov. CLARK. A case of salmon is 48 one-pound cans.

I think the total taxes on the 1911 pack amounted to \$113,755.76. Under the rates proposed by this bill, which reaches as high as 11 cents, I have not arrived at any accurate figures; but it is safe to say that the gross amount would be increased to at least \$175,000, probably even more than that. That is, taken from the standpoint of the investment—on an investment of upwards of \$21,000,000. I am not positive that that statement in regard to the investment includes several canneries which were established last year. I am inclined to think probably that the canneries established in Alaska last year brought the total invested capital up to something over \$22,000,000.

I am not prepared to go into a discussion of these taxes from a scientific standpoint. I do think that a tax of \$113,000 on a product valued in round numbers at \$14,000,000, with a property investment of \$22,000,000, is relatively small.

It is the opinion of the Bureau of Fisheries that this industry could well afford to pay taxes at least 75 per cent higher than at the present time, and my own opinion is that the taxes could reasonably be advanced to almost double what they are now.

I am not prepared to say that the figures are adjusted with a nicety in this bill. I think they afford a legitimate cause of discussion and that the packers should be very fully heard on the subject, with every encouragement to submit the most exhaustive statements in regard to their investment, their fixed charges, their pay rolls, the cost of production of these fish, and everything that enters into this industry.

It is in my mind that these taxes in certain cases, as expressed in the bill, may be subject to some modification after these hearings are held; but I shall be very much disappointed and surprised if it is found possible to show that there should not be an increase in the gross amount of taxes, running all the way from 50 to 100 per cent.

The CHAIRMAN. Governor, what have you to say in reference to the variation in the tax on the different kinds of salmon?

Gov. CLARK. Well, we know that the pack this last year, according to the kind of salmon, ran all the way from \$4.25 to \$7.20 a case. That is very unscientific taxation upon fish that vary so widely in value. At this time they are taxed a flat rate of 4 cents without any reference to value. Therefore, generally speaking, I suppose that the tax as between red fish and the inferior grades should vary according to the market value. That is to say, in about the same proportion.

The next question to consider, and to which I wish to call the committee's attention briefly, is the matter of rebates on private salmon hatcheries. Under the present law each cannery man or other private person who runs fish hatcheries, or person engaged in packing salmon, running private fish hatcheries at his own expense, is given a remission of taxes in proportion to the number of fry liberated.

At the present time the tax on 10 cases of canned salmon is remitted for every thousand fry liberated—red fish in all cases.

And before I proceed further I would like to call attention to what I regard as a very serious defect in this bill, which I think must be due to an oversight when it was drawn up. It is provided that the tax on red salmon shall be 11 cents a case instead of 4, and the provision that taxes shall be remitted on 10 cases of fish

for every thousand fry remains, so that if the bill is passed in its present form we would be giving the proprietors of private hatcheries \$1.10 for every thousand fry they liberate; whereas we are now giving them 40 cents——

Mr. MOSER. If you will look at the top of page 8, beginning with section 2, you will see that that has been changed.

Gov. CLARK. Yes; I see that that has been changed. I am very glad to see that that has been done. When this matter came to my attention first it was before the bill was printed. Evidently it was changed before the bill was later introduced and printed. I am glad to see that that has been done; but as the original draft was made this obvious discrepancy appeared. Of course, there would be no reason for it.

Mr. BROWNE. That was done, I beg to interject here, without our knowledge and before the Alaska packers had a copy of this bill.

Gov. CLARK. I do not doubt that what Mr. Browne says is true. I thought it an inaccuracy; but it has been corrected, and I did not know that it had been corrected.

I have always condemned the practice of granting rebates of taxes to encourage private salmon hatcheries. I believe in hatcheries, but I believe it is a legitimate function of the Government to control the hatcheries and run them as is done nearly everywhere else in the country.

The Senate has very recently passed a considerable number of bills for fish-cultural stations in different parts of the country. We have Government hatcheries in Alaska. It seems to me that the Government, as an ordinary economical measure, should collect its taxes and run its own hatcheries. One of the prime reasons for this is that under the present system the Government, as a practical matter, can not give proper supervision to the private salmon hatcheries. A good many times, when reckless statements have been made in this country or in Alaska, very often for political purposes, that the present proprietors of private salmon hatcheries in Alaska were robbing the Government and robbing the people, I have had occasion to condemn those statements.

I have never received affirmative evidence that these hatcheries were not being run in good faith and with perfect honesty. There is a penalty for false statements made by the proprietors of the hatcheries or the managers of the hatcheries before the clerk of the court. False statements are punishable as perjury is punishable, and I have no idea nor belief that there has ever been any dishonesty; but I think it is quite as impossible to demonstrate that they are being run honestly—for me to demonstrate it—as it would be to demonstrate that they are not being run honestly and in good faith. I think it is wrong in principle and that the Government should not pay its money for the rendition of services which it is not prepared to check up and to measure from time to time.

We know that in the case of a Government hatchery it is possible for the Government to know just what it is getting for its money, and on the whole I think there is little evidence to show that the Government can not run a hatchery as economically as a private company.

The CHAIRMAN. The proof as to the number of fry liberated consists in what?

Gov. CLARK. It consists in a formal statement made by the hatchery company to the clerk of the district court.

The CHAIRMAN. And there is no way of verifying it, is there?

Gov. CLARK. It could be verified if the Government were to have an inspector at the station all the time.

Mr. MOSER. As a matter of fact they do that, do they not, Governor, at various times, so as to check the matter up?

Gov. CLARK. I should have proceeded to say that from time to time Government inspectors visit hatcheries, but not nearly as often as would be necessary to secure an adequate inspection.

The CHAIRMAN. If the fry is liberated when the navigator is not there is there any way by which he can determine how many fry were liberated other than the statement made by the hatchery?

Gov. CLARK. I suppose a man could conduct an investigation and examination of their employees, and so on, but I hardly think that that is to be expected, and as a matter of fact it would be expensive to have a close, constant supervision of the hatcheries—more expensive than the object warrants.

If we were to have an inspector at each of these hatcheries, keeping him there all the time, we certainly would be paying a large price for the liberation of fry as compared with what the Government could do it for itself, in my opinion.

The CHAIRMAN. How many Government hatcheries have we in Alaska now?

Gov. CLARK. We have two Government hatcheries and these are five private hatcheries.

Mr. MOSES. I simply want to say that of the two hatcheries operated by the company I represent, one is the largest in the world with a capacity of 110,000,000 eggs, far in excess and double the capacity of any Government hatchery. It is absolutely honestly conducted in every particular, and we have expressions from representatives of the Fish Commission who lived at these hatcheries several months at a time of unqualified approval. We have had professors of the various branches of zoological sciences visit our hatcheries and carry on their investigations. We have always invited them to come, and they have always approved our methods and conditions. So far as successful fish culture is concerned I am quite sure our work is equal, if not superior to, the Government hatcheries.

Gov. CLARK. The hatchery which Capt. Moser speaks of, Mr. Chairman, I have often heard well spoken of. I have never been there, but I know the superintendent very well.

The CHAIRMAN. Where is that located, Captain?

Mr. MOSER. It is in the Naha River system. It is about eight miles in the interior back from Loring. We were very desirous that the Government should locate their hatcheries in western Alaska and not near ours, but one of the Government hatcheries is located about 18 miles from one of our hatcheries much against our wishes.

There is pending now in Congress a bill to have a salmon hatchery established on Bristol Bay. We have been paying two-thirds of the expenses for the last five years to carry on investigations there. Every year there has been promised the location of a Government hatchery in this locality. This present bill simply abolishes the private hatcheries which are putting fry into the water and makes

no recompense to the hatchery owners who have spent hundreds of thousands of dollars on the property. They are simply wiped out.

The CHAIRMAN. It does not abolish them. You simply have to maintain them at your own expense.

Mr. MOSER. It costs us from 36 to 42 cents a thousand for fry when we liberate them. The expense of running one of these hatcheries runs from about \$15,000 to \$18,000 a year. However, these things I hope to explain in detail later on. I have drawings and blue prints and all data with me for that purpose.

The CHAIRMAN. You will be given an opportunity to do so.

Gov. CLARK. Have you an estimate of the cost of production per thousand fry?

Mr. MOSER. Yes, sir; about 40 cents per thousand.

Gov. CLARK. Does that include the interest on your investment, depreciation, or anything of that kind?

Mr. MOSER. No; it is just the running expenses.

Gov. CLARK. Statements have frequently been made to me by representatives of the companies that from the standpoint of dollars and cents these hatcheries are not profitable.

Mr. MOSER. They are not at all.

Gov. CLARK. I should think in that case the companies would be very glad to be relieved of that burden.

Mr. MOSER. The company with which I am associated operated hatcheries long before the Government gave the subject any attention. We believed that it was due to the industry to put back into the water an equivalent of what was taken out. The first hatchery was established by my company in 1896. The Government hatchery was not established until 1905. Our second hatchery—this large hatchery—was constructed in 1900, and operated in 1901, long before the Government thought of doing anything to maintain the salmon industry in Alaska.

This bill actually wipes these hatcheries out and gives nothing in return. There is no provision made for any other hatcheries, and there is no question in the world in regard to the benefit of our hatcheries.

The CHAIRMAN. This bill would allow you to maintain your hatcheries, would it not?

Mr. MOSER. Is it right that we should have the great expense of maintaining these fish hatcheries and receive no return for it?

The CHAIRMAN. Of course, we can go into this whole situation later on.

Mr. DORR. Mr. Chairman, if I may be permitted to do so, I would like to make a very brief statement in regard to the present hatchery law, in conjunction with Gov. Clark's statement and really for his benefit.

Gov. CLARK. If Mr. Dorr would like to make that at this point, Mr. Chairman, it will be perfectly agreeable to me.

Mr. DORR. I thought it might perhaps be of advantage to you to know what I am going to say.

✓ This hatchery provision, that is in the present law, which was passed in 1906, was proposed by me. I drew that section with the fullest cooperation on the part of the Bureau of Fisheries, the Department of Commerce and Labor, and Dr. David Starr Jordan, who at that time was being consulted as a fishery expert by the United States

Government. It was considered most fully and most carefully and earnestly by the full committee of the House, where the bill was pending.

Prior to that time, as Capt. Moser has stated, the private hatcheries in Alaska had been conducted entirely at the expense of the owners without any recompense whatsoever from the Government. But the Federal Government, through the Treasury Department, which then had control of the Alaska fisheries, had, by a series of rules and orders, sought to compel fish canners to construct and operate hatcheries, and had imposed certain limitations upon the output of these hatcheries commensurate with the amount of fish packed. The Government at that time had taken no steps to establish any hatcheries in Alaska, with one single exception.

After the most exhaustive inquiry that I think has ever been had on any single fish proposition that has come before Congress since I have known anything of this legislation in the past 15 or 20 years, the Bureau of Fisheries estimated that the actual cost of production of the young fish or salmon fry was 40 cents a thousand, and the tax being at that time 4 cents a case, they proposed to make the rebate commensurate with the cost, so there would be no profit involved and no opportunity for speculation. The reason the Bureau of Fisheries and the Department of Commerce and Labor as a whole, and the committee of Congress as well, all agreed to this proposition, was because they recognized at that time the absolute injustice to the private hatcheries, maintained by the private companies hatching fish for the general benefit without compensation. Those hatcheries had been built by only a few of the salmon packers, the large majority having ignored the departmental orders (which were really unenforceable). It had been for a great many years, since the organization of the Bureau of Fisheries, a part of the Government's business to hatch fish, but Alaska had been absolutely and entirely neglected. I want to take the credit or the blame, whatever it may be, of suggesting this scheme of hatchery rebates. The plan was adopted by the Government with the view of paying private hatcheries for doing the Government work, or performing the governmental function in that regard and paying them at cost. It has been in force from 1906 to the present time. There are, according to the governmental reports, five private hatcheries which have been approved by the Department of Commerce and Labor. While it was the best plan that could be devised at that time—and I believed then and believe now that it was absolutely honest and fair and just both to the Government and to the owners of the hatcheries—I wish to say that I agree with Gov. Clark that it is not the best general policy. The fish hatcheries should be owned, maintained, and operated by the Government, independent of the canners. But the Government should not, in my humble opinion, take away from the canners who have constructed these hatcheries and enlarged them and doubled them and quadrupled them under the law the right to that rebate without recompense in some other form.

My present suggestion is, after giving this matter a good deal of thought, that the Government should provide some plan for buying the hatcheries of these independent canners and then should maintain them as they do other fish hatcheries throughout the United States.

The CHAIRMAN. Can you give us any idea as to what these hatcheries could be bought for?

Mr. DORR. I could not even suggest that; but I think they ought to be paid for on a fair appraised valuation.

The CHAIRMAN. You do not know what they have cost, do you?

Mr. DORR. I only know in a general way that the two that Capt. Moser has spoken of are very large institutions. They have cost a great deal of money. The others are much smaller.

Gov. CLARK. I think, Mr. Chairman, these figures should be given eventually, because whether we consider the purchase of them or not, they enter into the equities of this question. It would be well to know how much has been invested in them.

Mr. DORR. I am not prepared to give those figures now. I wanted to state what I have said for Gov. Clark's information as to the history of these hatcheries and what I consider the equities of this rebate system.

Mr. BROWNE. Is it not true that the Bureau of Fisheries and the Secretary of Commerce and Labor several years before the enactment of this law recommended this very thing in their annual report?

Mr. DORR. Yes, they did recommend it and Dr. Jordan recommended it also.

Gov. CLARK. Who recommended that, Mr. Browne?

Mr. BROWNE. The Secretary of Commerce and Labor and the Bureau of Fisheries.

Gov. CLARK. When was that?

Mr. BROWNE. That was in 1905 and 1906; certainly in 1905.

Mr. MOSER. There was a standing order issued in 1901 and carried at least for five years, directing, instructing, and ordering the different canneries to establish these hatcheries. The companies I represent endeavored to carry out those orders. In fact one of our hatcheries was trebled and quadrupled in capacity because the order required that a certain number of fry should be put into the water for a certain number of mature salmon taken out. There were, however, but very few cannerymen who obeyed the order. It was impracticable in many ways.

Gov. CLARK. Mr. Chairman, I shall not be here many days longer, as I have to return to Alaska. May I take the liberty of suggesting that when the officers of the Bureau of Fisheries appear before this committee, as no doubt they will, they be asked very particularly in regard to their views as to this policy; also that they be asked to go into the history of the matter.

What Mr. Dorr has said agrees with my previous general knowledge of how this matter was brought about, except in one particular. Two officers of the Bureau of Fisheries have told me—one of them told me as long ago as last year—that they did not approve of this policy and represented the bureau as never having approved of it. Although they officially approved of it, they did not thoroughly approve of this method of rebate and the method of propagating fish through private salmon hatcheries. It has been represented to me, on the contrary, that they felt that it was necessary to make this concession, because they feared the other provisions of the bill could not be passed unless they did so. One of those officers—I would rather he would speak for himself at the hearing, and I think he will—made the statement to me that he feared they were going to lose the whole

measure unless they made this concession, which Mr. Dorr and others earnestly desire.

MR. DORR. The report of the Secretary of Commerce and Labor for the year 1905, report of the House Committee on Territories, who had charge of the bill, and other documentary evidence available, will bear evidence of the correctness of my statement of the history of the rebate provision in the present law.

THE CHAIRMAN. This matter will undoubtedly be gone into very thoroughly before the hearings are concluded.

GOV. CLARK. I am very glad to hear Mr. Dorr say that he believes it is better policy for the Government to run the fish hatcheries itself, because I do not think there is any doubt that it is a bad principle for the Government to conduct the business as it does now. The Government should collect the money from one object and then spend it for another object if it wishes. That is only plain, ordinary, good business.

MR. MOSER. Will Gov. Clark permit me to ask one question in regard to the matter? Does not a great deal of this objection come from a source which would otherwise have received a large amount of taxes for road building and other purposes in Alaska? Would not the tax which has been rebated to the different canneries for the promotion of the fisheries otherwise have been expended in work in interior Alaska?

GOV. CLARK. I think in individual cases the objections have been expressed for that reason; but the people of Alaska generally, I think, have a very serious misconception of this rebating system. Stories have been spread throughout the Territory that the canners are not paying any taxes at all. There was a story, I think, that the canners paid 19 cents or 23 cents in taxes in one year. So distinguished an authority as Bishop Rowe repeated that story to me in my office last summer. I undertook to show the bishop how seriously he was mistaken. I think the people of Alaska are objecting to the rebating system because they want money to build roads, but they do not know that they are getting any money. Of course, statements are made for interested reasons that the Government is actually being defrauded.

THE CHAIRMAN. Capt. Moser, as a matter of policy, do you think it is the best policy to have the Government operate these hatcheries, or to have them under private control?

MR. MOSER. If the Government will maintain hatcheries, and maintain them in sufficient numbers, I agree with what the governor has said here; but the Government is very dilatory in giving us a proper number of hatcheries in Alaska. In fact, there is no question in my mind that if sufficient hatcheries were placed in Alaska that you would find the salmon would be more than plentiful and the only problem would be the commercial matter of getting rid of the product.

Japan is working on the same basis as we are. It is a recognized fact that salmon hatcheries are a success. That has certainly been proved on the Columbia River. Only a few days ago I had a conference with the California State fish commissioner in which this subject came up, and he said he felt sure the Sacramento River was not only holding its own, but was rapidly improving.

THE CHAIRMAN. Have you any opinion now that you care to express as to the number of Government hatcheries that would be needed to maintain this supply?

Mr. MOSER. I would hardly like to make that statement at the present time.

The CHAIRMAN. I wish you would give that some consideration, so that when you come before the committee we can get your opinion on this subject.

Mr. MOSER. The difficult thing in connection with the hatcheries in Alaska now is that the maintenance of hatcheries in the more inaccessible regions is a difficult matter, and as I mentioned before, we have been carrying on with the Bureau of Fisheries a series of investigations for the last five years in Bristol Bay in which we are bearing a large part of the expense, in counting the salmon that go up a certain stream, and it is about the only place in that locality where a fish hatchery will be successful, but it is inaccessible in wintertime and it is hard to keep people in these inaccessible places during the winter. We maintain one hatchery at Karluk, which is not a very desirable location so far as living is concerned. People are shut off there largely during the winter, but we have kept up that hatchery for 16 years.

The CHAIRMAN. I have no doubt if the Government should locate a hatchery and appropriate money for its maintenance that we would have no difficulty in getting someone to go there.

Mr. MOSER. The Government could never operate a hatchery there as cheaply as we could because we have our own bases to work from. Some people doubt the success of the salmon hatcheries in Alaska. In my mind I do not think there is any doubt of this at all, if they are properly conducted.

The CHAIRMAN. What is the basis for that doubt?

Mr. MOSER. The fisheries in some instances do not seem to have responded sufficiently to make them believe that the hatcheries have been altogether successful. But we know the success attained with other species; for instance, in the transfer of shad to the Pacific coast where no shad existed prior to 1888. Shad are now so plentiful on the Columbia River that they are barely salable. Shad roe is now refrigerated and shipped to this coast and consumed in this market.

Striped bass is another example. There were no striped bass on the Pacific coast until recent years. If we are successful in planting fish not originally indigenous to those waters, why should not we be successful in planting and propagating salmon in their own habitat on the Pacific coast?

The CHAIRMAN. Captain, I wish you would be prepared to submit data in regard to the cost of your hatchery when we go into the matter at the hearing.

Mr. MOSER. I have that data.

The CHAIRMAN. I also hope you will give some consideration to the question as to how many Government hatcheries would be necessary to maintain the supply of salmon, or largely increase it, in Alaska. Of course the question of abolishing private hatcheries is an important one. I am very much inclined to agree, myself, with the proposition to maintain and operate Government hatcheries in Alaska rather than to continue the system of rebating.

Mr. MOSER. I do not think, however, Senator, that the private hatcheries which have been so very successful—because these two large hatcheries of which I have spoken are successful—I know that

you will agree with me that they should not be wiped out in that way——

The CHAIRMAN. Well, we do not contemplate that.

Mr. MOSER (continuing). Until the Government is ready to purchase them and have its own hatcheries.

The CHAIRMAN. I do not see where there could be any objection to this—if the Government decides to adopt the policy of locating, maintaining, and operating hatcheries up there—I can not see where there is any objection to purchasing the hatcheries already in existence and continuing their operation as Government hatcheries rather than to locate an absolutely new hatchery.

Gov. CLARK. I should like to express my approval of that suggestion, Mr. Chairman. These hatcheries have been in operation under this law only a few years and the Government of course does not want to act in bad faith with men who have invested large sums of money under the provisions of a law which they did not expect would be repealed. I think that it is due them, if their properties be found economical, for the Government to purchase these plants. Probably they could be bought for about what the companies paid for them, and the Government would find their purchase more economical than to establish new plants entirely.

The CHAIRMAN. For instance, if the Government appropriates \$25,000 to establish a Government hatchery, I can not see where there would be any objection to expending that \$25,000 in acquiring a hatchery already established and in operation instead of going to some new place and putting up a new hatchery.

Mr. MOSER. Our hatcheries have cost to date somewhere in the neighborhood of \$475,000.

The CHAIRMAN. Of course I was simply suggesting \$25,000 for the purpose of illustration.

Mr. MOSER. It has been suggested that another hatchery be built on Karluk Lake. This would require a roadway to be built into this place 6 or 7 miles in length. In discussing this matter with the president of the company he said, "What do you think that hatchery would cost; that is, to move the hatchery we now have to this other lake, utilizing as much as we could the other old hatchery?" I said, "I think we could put it up for about \$60,000." He said, "If you can put it up for \$75,000, you go ahead and put it up."

That made me think a second time, and in looking it over before taking hold of it I learned that it would cost a great deal more than that figure. The building of a first-class salmon hatchery is an expensive proposition. You can put up a few baskets and hatch fish, but if you are going to have a hatchery useful in every way which will do its work properly, it will cost quite a little money. Material and everything of that kind has to be transported.

The CHAIRMAN. Of course, I take it the expense of putting in a hatchery in Alaska would be very much greater than in the States.

Mr. MOSER. All kinds of vague statements have been made in regard to this fish hatching. I saw a statement to the effect that our hatcheries were shacks with nothing but a stove in each end. Our hatcheries are steam heated and electric lighted. We have 18,000 feet of piping leading to a spring of pure water at our large Loring hatchery. We have a sawmill and all that kind of thing there. They are self-sustaining. Our buildings are first class. They are of log

construction, but of the finest log construction I think in the world. They are hewn out of the forests.

But I hope you will excuse me for taking up your time. I expect to dwell on these things more at length later on.

The CHAIRMAN. We are glad to have your remarks in connection with this matter.

Gov. CLARK. Mr. Chairman, before I conclude I would like to call attention to a matter which I mentioned in my current annual report in reference to the use of herring for the manufacture of fertilizer and oil.

There is an establishment on Admiralty Island, at Killisnoo, engaged in converting herring into oil primarily; taking the oil from the herring and then using the residue for fertilizer. The production of that company in 1910 was 5,540 barrels of oil and 1,309 tons of fertilizer. According to the company's own statement, they secure their herring from the territory surrounding Killisnoo for a radius of about 40 or 50 miles.

This industry has been condemned by a good many persons by reason of the fact that they are using a valuable food fish for the base purpose of making fertilizer and oil. The opposition to the conducting of this business has been growing recently on account of the growth of the herring industry in the Ketchikan district. In that part of southeastern Alaska persons have recently been engaged in packing herring for the Japanese market.

The name of the company operating at Killisnoo is The Alaska Oil & Guano Co. I visited that place two or three times. I have recently received a letter from Mr. Carl Spuhn, the president of the company, with which he sends a copy of a statement which he made before one of the committees last year, when it was proposed, as it is now, to make it illegal to use herring for the purpose of making fertilizer and oil.

The reason for this proposed legislation, of course, is that we should not use a valuable article of food for such purposes. A part of the opposition comes from a large number of people who are engaged in the halibut industries. The production of halibut is, I think, the second largest production of fish in Alaska. The value of the catch in some years has been upward of \$1,000,000, I think. Herring is the principal bait for halibut. The halibut fishermen complain that bait is often scarce and high in price. They do not like it that large quantities of herring—their bait—are being used at this plant at Killisnoo for the manufacture of fertilizer and oil.

Mr. Spuhn has made an excellent statement of his own case here which he or his representative will call to the attention of the committee.

The CHAIRMAN. I think that has already been called to the attention of the committee, Governor.

Gov. CLARK. I did not know that.

The CHAIRMAN. Mr. Snow appeared and represented this company and we gave him a hearing.

Gov. CLARK. I knew he was present in Washington, but I did not know he had been heard by the committee. There is no occasion for me to make a further statement in this connection, except to say that I am impressed by the fact that his company should be allowed a reasonable time in which to close out its business. The bill provides

that that business shall be illegal after 1914. I am inclined to think that in view of the statement which Mr. Spuhn and his representatives have made that it would be unfair to close them out within that length of time.

The business was established in 1889. There was at that time and has since been invested \$100,000 and the dividends, I am told, have amounted to \$30,000 in all that time. Therefore there has been no very great profit in the business. The company desires reasonable time in which to close out its business and, while, of course, I am much more interested in the public's side of this question than I am in the company's, I do not feel like recommending a provision which would amount practically, if not legally, to a confiscation of their property.

Mr. Spuhn, in a recent letter to me, tells me that he thinks they should have 8 or 10 years. Mr. Snow, his representative, told me he thought they certainly should have 10 years. The bill provides for but two years. My opinion is that a time ought to be set somewhere between these figures. Perhaps it should not be as much as eight years, but I think it should certainly be rather more than two years.

They have been very fair on this question and say that they are willing to go out of business and have it done away with, but that they simply want time to protect themselves against this loss.

The CHAIRMAN. That is about the suggestion Mr. Snow made.

Mr. BROWNE. I have undertaken, for Mr. Snow, to say what I can in behalf of this company so I am very grateful to Gov. Clark for what he has said. I wish his judgment would approve of the suggestion of a minimum of at least eight years. It is only fair to say that we have statistics which Mr. Snow has sent me and also an article which I discovered very recently in a very recent report of the consular and trade report, I think of April 7, of the Department of Commerce and Labor, which is very instructive and full report of one of our consuls, showing the present and increasing use of herring flour and oil in Sweden and Norway. This is the same product which this company is engaged in making from herring. In other words, it is a present industry and an increasing industry and a substantial reason given for it, among others is that it disposes of fish which otherwise would not even in Europe or elsewhere find a market.

Gov. CLARK. A word now in regard to aliens engaged in fishing operations in Alaska. I am not prepared to discuss this matter in the light of a decision which has recently been rendered by the district judge of the first division of Alaska in a case which arose at Ketchikan. The Japanese have become very active in fishing operations in southeast Alaska, and while it is illegal for aliens to conduct fishing operations on their own account, the law seems to permit of their being employed merely. Some of these Japanese are reported to have engaged in fishing there, actually as proprietors, but under the guise of being employees. I think that some of them are associated in a company or have some sort of an association by which they take fish in the name of white persons who have simply given them a power of attorney or something of that sort.

I want to call the attention of the committee to this matter and to express the hope that some way may be found to make it impossible

for Japanese or any other aliens to fish as they are apparently doing at the present time.

I think some views on this subject will be presented later and in the light of this decision of Judge Lyons, with which I am not very familiar.

The CHAIRMAN. Can you give us the gist of that decision?

Gov. CLARK. The particular case was that of a Japanese who was tried on a charge of having conducted fishing operations on his own account, he being an alien. The gist of the decision was, in a word, that an alien has a right to fish in Alaskan waters when employed by a person or corporation lawfully entitled to engage in the fishing business in Alaska. However, this is such an obvious statement that I do not believe it goes to the subject in question.

Mr. DORR. May I interrupt you in respect to that decision, Governor? I have read that decision, and am familiar with it. The facts as disclosed by the opinion of the court were that it was admitted by the Government that this defendant was employed at a stated salary of \$50 a month, I think, and upon that admitted fact the court held that there was no violation of the law. He was not fishing on his own account, but was an employee of somebody else, who had the legal right to fish.

The CHAIRMAN. What is the law now, Mr. Dorr, with reference to aliens fishing in Alaskan waters?

Mr. DORR. They are prohibited from fishing on their own account, but there is no prohibition against employing them.

The CHAIRMAN. There is no prohibition against their working for somebody lawfully entitled to fish in Alaska?

Mr. DORR. No, sir.

Gov. CLARK. In connection with this subject and my brief statement on it I should like to read into the record a letter which I have received from Mr. Forest J. Hunt, of Ketchikan. I do this because it is fairly representative of a brief expression of the position, and I may say the excitement, in Ketchikan over this matter of Japanese engaged in fishing operations in that vicinity.

Mr. Hunt mentions a decision which he states he inclosed, but this was not done, and so I do not know about that. [Reading:]

KETCHIKAN, ALASKA, *January 10, 1912.*

Gov. WALTER E. CLARK,
Juneau, Alaska.

DEAR GOVERNOR: In behalf of the committee in charge of the matter, and of which I am a member, I inclose herewith a copy of the decision of Judge Lyons, given at the last term of court here, in the case against one Miyata, a Japanese, for illegal fishing. This will enable you to understand how the present law is interpreted by the court, and may be of assistance in securing remedial legislation that will remedy. Personally, I feel that the protection of our food fish of all kinds is of more urgent importance for the future welfare of southeastern and southwestern Alaska than anything else. The present mania for the salmon-canning business means the destruction of the industry, unless stringent protective laws are enacted without delay and enforced.

I could not refrain from an expression of my views on this matter, and hope that your efforts may be enlisted to help the situation.

I am, yours, truly,

FOREST J. HUNT.

I have nothing further to submit on this measure, Mr. Chairman. I have left out the details and especially the technical details, because there are some of those matters that I am not very familiar with. I merely want to urge what I believe is the extreme seriousness of the

situation there, as threatened by overfishing. Also, the need for a revision of the scheme of taxation, so that instead of having an unscientific and inadequate taxation we will have something which approximates scientific exactness and certain adequateness as to taxes on this industry.

The CHAIRMAN. The committee is much obliged to you, Governor.

Mr. MOSER. Mr. Chairman, let me ask one question in regard to taxes. I have read the governor's report very carefully and very profitably, of course. I notice in this report that there are a number of organized towns in Alaska that pay no taxes and that have no assessment rolls. Is that true? Are there any towns incorporated in Alaska that have no assessment rolls and pay no taxes?

Gov. CLARK. There are at least one or two of the incorporated towns where they have never made an assessed valuation of the property or imposed a tax; that is, a property tax; a legal property tax.

Mr. MOSER. They pay no taxes whatever.

Gov. CLARK. Oh, that is not true; they pay the various license and occupation taxes the same as they do outside of incorporated towns. Some of the towns have found that their occupation and liquor license taxes were sufficient to meet the local expenses without imposing an additional tax on real estate, as they are empowered to do under the code of Alaska. For instance, in one town they found that with their four liquor saloons paying \$1,000 each and with quite a number of stores paying occupation taxes according to the business which they were doing, there was money enough coming into the city treasury to meet their local expenses, so that the necessity of imposing a local property tax did not arise.

The town of Eagle, I believe, has at one time made an assessed valuation of property, but has never proceeded to impose the tax—has never imposed the tax.

Mr. MOSER. I simply asked the question in connection with the taxes being imposed on the fisheries in this bill with the idea that possibly some of the incorporated towns which had no assessment rolls and no taxes were not more than anxious to have the fisheries taxed for their own benefit.

Gov. CLARK. Oh, they will not get it anyhow.

Mr. MOSER. They will get it in a general way, will they not, by roads and schools and all that kind of thing?

Gov. CLARK. They would not get it through the schools; they would only get it through such roads as were made tributary to those places. Of course roads are built outside of the incorporated limits of towns and leading from those towns into the interior. They would of course get that benefit.

I do not think there is very much in the point you are making, Capt. Moser, because I do not think it is founded on facts as they exist there.

Mr. MOSER. That is simply the impression I gained in reading the report; that there were certain incorporated towns in Alaska that had no assessment roll and paid no taxes. It occurred to me then that they were looking forward to getting some of the extra tax imposed on the fisheries.

Gov. CLARK. They would not get any of it for schools. Those moneys are used only for building roads outside of the incorporated towns and for maintaining schools outside of incorporated towns.

They would not get any money for the support of their schools inside the incorporated towns.

MR. DORR. Governor, I would like to ask you one more question. What is your view as to the policy of devoting a substantial portion of the tax derived from the canners to provide for Government hatcheries in Alaska?

GOV. CLARK. I am decidedly opposed to that; although I have heard that recommended informally by the Bureau of Fisheries. I am opposed to it because we need roads so badly in Alaska that I would like to see all the money we can get expended for that purpose. Of course we need to perpetuate the fishery, too, but we can do it by means of fish hatcheries, and it seems to me that ought to be provided for by direct appropriations by Congress.

MR. DORR. Is it your idea that the taxes should all be covered into the Treasury and then these various hatcheries supplied by direct legislation?

GOV. CLARK. It is the same thing, as far as the Government is concerned.

The money goes into the Treasury and Congress appropriates the money or a sum of money out of the Treasury. That is the equivalent of using these moneys for the purpose of maintaining the hatcheries.

MR. DORR. Do we understand that these cannery taxes are turned into the so-called Alaska fund and remain in Alaska without special appropriation?

GOV. CLARK. It does not require any appropriations from Congress because the law provides for disbursements from that fund.

MR. DORR. But ordinarily the tax is turned into the road and other special funds.

GOV. CLARK. The net cannery taxes are paid into the Alaska fund, provided the canneries are located outside of the incorporated towns.

MR. DORR. Then if these taxes are disposed of in that way you must depend entirely upon Congress for appropriations for the maintenance of hatcheries. In other words, the fisheries themselves would not have any direct benefit from this fund?

GOV. CLARK. Why, I, of course, perceive your point, Mr. Dorr. I agree with you that it would be better to maintain these private hatcheries under the present plan for some time if we were sure we were not going to get any Government hatcheries; but I am assuming that we will get Government hatcheries. I do not know why we should not. They get them in every other part of the United States; they get them in even the interior waters of the country. Of course, this bill will not provide for them. That would be done by means of an appropriation.

MR. DORR. But you can see my point; that if these rebates were taken away, general taxes increased and diverted to other funds, there is no assurance that the fisheries would be benefited at all.

GOV. CLARK. I think you could hardly get that assurance into this bill because Congress does not pass appropriations in a bill for general legislation. It is customary to have separate bills.

MR. MOSER. It might, however, provide for hatcheries. Mr. Chairman, could not the bill provide that the rebates should continue for private hatcheries until such a time as Congress shall make adequate appropriation? The point I desire to make, is that the fisheries should

not be heavily taxed and heavily burdened without having some return, instead of the taxes being used for building roads for the miners who pay no taxes it should be applied to the fisheries.

The CHAIRMAN. The only purpose in this bill, Captain, is to require these people to pay a reasonable tax.

Gov. CLARK. Let us take that statement—"for the benefit of miners who pay no taxes." Miners do pay taxes in Alaska. Some of the mine workers pay \$8 a year as a head tax—not depending on the salmon industry to provide the means, but actually pay \$8 a head. It is too much, too; but they are trying to do something to help themselves. The mine proprietors, if they are running quartz mines, are taxed.

Mr. MOSER. They do; they are taxed; but the placer miner pays no taxes for the product which he takes out of the earth, and which can never be returned, and the fisheries are taxed for his benefit.

Gov. CLARK. I submit, Mr. Chairman, that the proprietor of an industry which is paying taxes is not legitimately very much concerned as to how Congress authorizes the money to be expended. That is a matter for the wisdom of Congress.

The CHAIRMAN. The only question is what is a fair and reasonable tax on this industry? That is what we are concerned with.

Mr. MOSER. The point I am making is to question the policy of paying the money into the Alaska fund. It is not really how much goes into that fund; but would it not be better if all these moneys were paid into the Treasury and that Congress make separate appropriation for the different purposes in Alaska? I am opposed to having an industry overtaxed which in every other country in the world is encouraged and developed in every way by the Government. I believe the salmon fishery of Alaska is the only fishery of this country taxed by the General Government. The State governments which tax their fisheries return that money absolutely to the fisheries.

Gov. CLARK. It is the only fishing industry in Alaska taxed by the General Government because there is no local power of taxation.

Mr. MOSER. Does the General Government tax the cod fisheries, for example, or the halibut fisheries, or any of the fisheries on the east coast? They could put a tax on those people.

Gov. CLARK. I do not see why the salmon industry in Alaska should escape simply because we have not a local power to impose a tax any more than the salmon packers should be exempted in the States of Washington and Oregon.

Mr. MOSER. We do not want to escape; but whatever taxes are paid we would like to have returned to these fisheries.

Gov. CLARK. I would be glad to see a bill introduced either for the purchase of these hatcheries or the establishment of new hatcheries. I am just as much interested in this as I am in the passage of this bill; but it has to be one thing at a time.

Mr. MOSER. The bill does not make proper provision for the Government hatcheries or for taking hold of these hatcheries in some way. In fact there are several portions of the bill which I think can be very much criticized.

The CHAIRMAN. We will be glad to give every opportunity for you to present your objections and criticisms of the pending bill. It is a tentative proposition and we want to perfect it in every way possible.

There is difficulty, however, in putting in provisions for these private hatcheries and providing even for Government hatcheries in this bill. It could be done by Congress, of course, but if you put it into this measure it would probably bring about opposition. It is largely a matter of legislative policy.

Mr. DORR. As Gov. Clark is going away and will not be at any of the future hearings, as I understand it, I want to ask him just one further question, if I may.

The CHAIRMAN. Certainly.

Mr. DORR. As I understand you, Governor, and it seemed to be the general import of your opening statement, your idea is that this bill was framed for the purpose of conserving salmon. On the general proposition of the conservation of the sources of supply, I do not think there will be any disagreement. We may disagree as to the method, but as to the object to be obtained I do not think there will be any disagreement between any of the packers, the Bureau of Fisheries, Members of Congress, yourself, or anybody else interested. But I want to ask you this pointed question: If these taxes are to be converted directly into the Alaska fund, so called, in which the hatcheries in Alaska do not participate, how, under this bill, is there any conservation provided? What is there in this bill that results in the slightest conservation of the supply of salmon?

Gov. CLARK. I think it has a tendency by regulation to prevent overfishing. That would have a tendency, of course, to conserve the supply.

Mr. DORR. You do not want us to understand that excessive taxation is going to be imposed to deter people from carrying on the business of fishing?

Gov. CLARK. No, I do not. I think the greatest measure looking to the conservation of the industry is probably the abolishment of the jigger.

Mr. DORR. Well, now, upon that point——

Mr. MOSER. There are very few traps in Alaska.

Gov. CLARK. There are 74 traps in Alaska. You can catch a lot of fish in 74 traps.

Mr. DORR. Governor, I have been looking at the report of the Bureau of Fisheries for 1910, which you have referred to, and where the catch by the different kinds of gear for four years—1907, 1908, 1909, and 1910—is tabulated. I find that traps catch a less quantity of fish than any of the other kinds of gear, according to these figures. The catch in seines, for instance, in 1907, was 15,000,000, without giving the odd numbers; in traps, 8,000,000; gill nets, 11,000,000. That is about the proportion running right through this report. The totals of these figures, taken from page 14 of the report, are as follows:

Catch of salmon in Alaska.

	1907	1908	1909	1910
Seines.....	15,312,032	15,287,851	9,633,061	12,268,168
Traps.....	8,446,956	10,110,478	7,920,824	8,046,215
Gill nets.....	11,096,946	17,839,661	16,950,717	13,084,048

Gov. CLARK. Let me ask you a question, Mr. Dorr. Disregarding the investment which you have made and the chance of losing the principal, would you be willing to give up fish traps and use purse seines instead?

Mr. DORR. Well, when I really get into court——

The CHAIRMAN. You are in court now.

Gov. CLARK. I just thought I would ask you a question, inasmuch as you asked me one.

Mr. DORR. I was going to say that I represent about 12 or 15 of the smaller companies. Some of them rely entirely on trap fishing in certain localities. Others rely entirely upon purse seining—such for instance, as the Myers cannery which you mentioned. Others rely on drag seining and others on gill netting. And some use several methods. We find by experience and observation, following the history of this business for many years, that one gear is practicable in one place and another style of gear in another place, and so on, depending upon local conditions.

For instance, in Bering Sea—Capt. Moser will verify this—they use scarcely any traps at all. I do not believe anybody would be seriously injured there if you should abolish the traps in Bering Sea. Down in central Alaska in some places they rely entirely on traps; for instance in Chignik and in Cook Inlet they use the purse seines and drag seines where they are most practicable, and so on. Traps are used where they are most practicable. Other kinds of gear are used where they are most practicable. The purse seine has of late years become, in my judgment and under my observation and investigation, the most effective of all gear for catching fish wherever they can be successfully used.

Mr. MOSER. That is right.

Mr. DORR. And they are to-day rapidly superseding the traps in Puget Sound.

Mr. MOSER. The purse seine is becoming far more efficacious than traps. The traps are stationary. You can take your purse seine out, and wherever you find a school of fish, get around them and take the whole school in your seine.

Gov. CLARK. It seems to me we are working around into a pretty good position to abolish the fish traps, Mr. Chairman.

Mr. MOSER. There are certain people who desire to have fish traps abolished entirely.

Gov. CLARK. I have not been one of them; but this seems to argue that we should abolish all the fish traps.

Mr. DORR. Do not misunderstand me, Governor. In certain localities they are essential. In Cook Inlet, where they have a tide of 40 feet, they can not get along without fish traps; they do not use anything else. The only point I am trying to make is that they are not the main instrument of destruction, considering the situation in the aggregate.

Gov. CLARK. You seem to have made that point, Mr. Dorr, but what would you consider proper in regard to the protection of the industry? Suppose a man engaged in the business of packing salmon up there was perfectly wanton in his methods and intentions, which situation do you think he would like? Would he like a situation where it seems to be advantageous to use a trap or where it is advantageous to use a seine, if he could have everything his own way and

the place, so as to speak, for his own purposes? The purpose of my question is this: I surmise that at some of these places where a fish trap can be used to advantage it would be much more economical than a seine.

Mr. MOSER. It can.

Mr. DORR. And in some of these places no other means can be used.

Gov. CLARK. Is it not true that where the situation will permit of the use of a trap, you would a good deal rather use the trap on account of its economy and the effectiveness?

Mr. DORR. Not always. They can use traps in Bering Sea. There is no law against them. There is no closed season; but they use the common gill net in preference to all other devices up there. The water and local conditions are particularly favorable for gill-net fishing.

Mr. MOSER. Every locality has its own peculiar topographical features. The depth of water and its clearness vary and control the kind of fishing gear that is used. For instance, in places where you can use a gill net to an advantage you can not use a purse seine so well. You have to have quite deep water to use a purse seine. In the Bering Sea region it is very doubtful in my mind, where the fishing takes place, whether a purse seine can be used. The discolored water permits gill netting and that is the method of fishing, and, as Mr. Dorr has said, there are a very few traps. I do not think there are more than a half a dozen in the whole Bering Sea. Now, when we come down to Chignik traps are exclusively used.

As to the distribution of traps I can say this: I have seen the traps in Chignik Lagoon so thick that it did not seem possible for a fish to get through. They appeared interlaced and yet the lake was filled with fish. You are opposed to the use of the jigger. It is possible, as Senator Jones also explained, that the fish in schooling around will swim around and around and more of them will go into the pot than if the jigger was not there. Still, traps do not prevent all of the fish from going up the stream. Some fish go through, whether the trap is there or not. They manage to school around and get around the ends in some way. But I have always found that, in spite of trap fishing, there were many fish up in the lake spawning beds.

Gov. CLARK. They go by both the trap and the jigger.

Mr. MOSER. Referring to the seine fishing, there are not many places in Alaska favorably situated for the use of drag seines on account of the lack of seining beaches.

The CHAIRMAN. Is that all, Governor?

Gov. CLARK. Yes; I think that is all I care to state.

Mr. MOSER. I trust the Governor will pardon me for interjecting myself into this matter. I only did so because I knew he was going away and I did not desire to say anything after he was gone that I would not say here.

Gov. CLARK. All of these interruptions have been very helpful to me. Mr. Chairman, I thank you for hearing me.

Whereupon, at 12 o'clock and 30 minutes p. m., the subcommittee adjourned to meet at the call of the chairman.

THURSDAY, MAY 9, 1912.

COMMITTEE ON FISHERIES,
UNITED STATES SENATE,
Washington, D. C.

The subcommittee met at 10.30 a. m.

Present: Senators Jones (chairman), Bourne, and Overman.

Also appeared: Dr. Barton W. Evermann, Chief Division of Alaska Fisheries, Bureau of Fisheries, and Mr. Ward T. Bower, assistant agent, Alaskan salmon fisheries. Also: Messrs. John Sidney Webb, Aldis B. Browne, Charles W. Dorr, and J. F. Moser.

The CHAIRMAN. I have a letter from Mr. Frank B. Peterson, of the Naknek Packing Co., of San Francisco, Cal., in regard to the tax which is proposed to be imposed by this bill. That letter will be printed in the record.

The letter is as follows:

NAKNEK PACKING CO.,
San Francisco, Cal., May 3, 1912.

HON. WESLEY L. JONES,
United States Senate, Washington, D. C.

SIR: We understand the hearing on the new salmon fisheries bill, No. 5856, is now going on before your honorable committee, and we only hope this letter will not be too late to present our views on said bill, for the passage of same would certainly work a hardship on the salmon canners in Bering Sea whose headquarters are in San Francisco, for they are already heavily taxed by the State and the United States Government, and some of them are still in debt. It is true we obtained a high price for fish last year, but this was forced upon us by the very light pack, and if the price had not been advanced, heavy losses would have resulted for every packer in the sea.

Each salmon canner already pays four different taxes, as follows: One to the United States Government, of 1 per cent on all profit over \$5,000; another to the United States Government, of 4 cents per case and 10 cents per barrel on all salmon put up in Alaska; a State franchise tax, and a State license tax. In addition a further fifth tax must be paid locally if any salmon is carried in warehouse here. Surely we are taxed heavily enough already.

We also most respectfully beg to protest against raising the tax on red salmon 7 cents, and only 1 cent per case on pinks, of which there is more packed than of red. Such procedure would manifestly be unjust. We also believe that the present tax of 4 cents per case is onerous enough, unless the money received from the tax is used by our Government in putting up hatcheries, of which there are none in Bering Sea.

The catch of salmon in Siberia is increasing very rapidly, and we understand more is caught now than in Alaska. The cost of labor there in canneries is almost nil, while the cost of catching salmon is also exceedingly light, as the fishermen work for almost nothing. We will soon be called upon to compete in the European markets with the Russian and Japanese canners in Siberia, and your honorable committee can readily see what the result will be under above conditions, especially if the present heavy taxes on American canners are increased.

We respectfully ask that action be postponed until packs are finished this year, which is a crucial one, for we have had two light packs in Bering Sea in succession. It is impossible to send a representative to Washington at present, but by next fall canners with headquarters in this city would no doubt send an attorney, who could present their side of the question. We are taking the liberty of sending a copy of this letter to each member of the committee.

Hoping that action may be delayed, or at least that the tax be only raised slightly, treating pink and red alike, we remain,

Respectfully,

NAKNEK PACKING CO.
FRANK B. PETERSON, *President.*

The CHAIRMAN. We have representatives of the department here this morning. Therefore we will ask Dr. Evermann to make a statement to the committee as to the merits of this bill from the departmental standpoint.

Senator BOURNE. I would suggest, Mr. Chairman, that Dr. Evermann take up the bill section by section, and that each section be printed at the commencement of his explanation.

The CHAIRMAN. That will be done.

STATEMENT OF DR. B. W. EVERMANN, CHIEF DIVISION OF ALASKA FISHERIES.

Dr. EVERMANN. Mr. Chairman and gentlemen of the committee, when the Bureau of Fisheries transmitted to the Secretary of Commerce and Labor, at his request, a draft of an Alaskan fisheries bill, we had supposed that that request was made for the purpose of enabling the views of the department to be gotten before the fishery interests, so that they could have time during the spring and summer to consider and familiarize themselves with the views that the department expressed in this draft, and then, finally, the matter would come up for serious consideration later, when the various fishery interests could be heard.

I do not know to what extent it is possible for the fishing interests to be represented now. I assume that many of their men who are familiar with certain phases of the question are in the field, all the way from southeast Alaska to Bering Sea; but of course, that is a matter for them to speak upon.

The CHAIRMAN. Doctor, you are prepared to take up the first section of the bill; therefore we will have that section printed in the record at this point. That is the section with reference to the tax.

Section 1 of the bill (S. 5856) is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That every person carrying on the business of canning, curing, or preserving fish or manufacturing fish or fishery products within the Territory of Alaska, ceded to the United States by Russia by the treaty of March thirtieth, eighteen hundred and sixty-seven, or in any of the waters of Alaska over which the United States has jurisdiction, shall, in lieu of all other license fees and taxes therefor and thereon, pay license taxes on the said business and output as follows:

For each fish trap used for taking salmon in any of the waters of Alaska, except the Yukon River, one hundred dollars per annum; for each purse seine, thirty cents per fathom per annum; for all other forms of fishing gear, including haul seines, stake nets, gill nets, and trammel nets, one cent per fathom per annum; canned salmon, per case, according to the species, pink or humpback, five cents; dog or chum, five cents; coho or medium red, seven cents; king or spring, eleven cents; red or sockeye, eleven cents; pickled salmon of all species, fifteen cents per barrel; pickled salmon bellies, one dollar per barrel; salt or smoked salmon in bulk, seven cents per one hundred pounds; fish oil and whale oil, twelve cents per barrel; and fertilizer, fifty cents per ton, except when made from sharks or from offal or waste from salmon canneries or salteries.

All licenses for fishing appliances shall be designated by consecutive numbers and shall indicate the kind and dimensions of the particular appliance for which the license is issued and the name of the person owning the same. The owner of each fishing appliance shall have affixed thereto a tag, brand, or lettered notice bearing the license number and the number of the district in which issued. In the case of movable apparatus, this tag or brand shall be placed so that it may be inspected at any time without interfering with the operation of said apparatus.

Dr. EVERMANN. Section 1 refers to the tax upon the fishery products, as you have stated. This was included in the draft submitted to the Secretary, because a section upon that subject is embraced in the present law and we thought it would be necessary to make some reference to it at least in the suggested change.

Senator OVERMAN. By the way, I have been told that the first fish trap ever used was built on the Yadkin River in North Carolina, for catching shad.

The CHAIRMAN. That is a fish wheel.

Senator OVERMAN. The Alaska fisheries got the idea for their fish traps from that original trap built on the Yadkin River. Did you ever hear that?

Dr. EVERMANN. I think I have heard that.

Senator OVERMAN. The Union Army found that fish trap down there that some countryman had made. I do not know whether he got a patent on it or not, but that is the wheel that is used out West, it is said. I had a curiosity to know whether that was so or not. It was first made by an old farmer on the Yadkin River.

Dr. EVERMANN. That was for catching shad.

Senator OVERMAN. Yes. However, I hope you will excuse me for interrupting you.

The CHAIRMAN. Doctor, you might state what the provision was in the bill prepared by the Bureau of Fisheries in regard to increasing the tax. As the bill is introduced, it has still further increased these figures.

Dr. EVERMANN. The original law, or the law now in existence, provides a tax of 4 cents per case on all grades of salmon canned in Alaska.

The CHAIRMAN. It is just a straight 4-cent tax?

Dr. EVERMANN. It is a straight, flat, 4-cent tax on all kinds of salmon. The various kinds of salmon now bring various market prices. There is a considerable difference between the market value of red salmon and king salmon and dog salmon or chum, or the humpback, and it was thought by the department that there should be some distinction made in the rate of taxation on the different grades of salmon.

Senator BOURNE. That was because of the difference in the value of the product?

Dr. EVERMANN. Yes, sir; that was because of the difference in the value of the product.

Senator BOURNE. Is that the only tax they have now—4 cents a case on salmon in Alaska?

Dr. EVERMANN. Under the present law; yes, sir.

Senator BOURNE. What is your revenue under that tax?

Dr. EVERMANN. Under the present schedule of taxation on canned products and on the various other fishery products, such as oil, fertilizer, salted salmon, and so on, the revenue for 1911 was \$116,332.

Senator BOURNE. What is your estimated revenue under your proposed tax?

Dr. EVERMANN. Under the figures which the bureau suggested, the revenue—

The CHAIRMAN. Just state what those figures were, Doctor.

Dr. EVERMANN. The revenue would be \$186,196 on the catch of 1911.

The CHAIRMAN. That is on the 1911 catch?

Dr. EVERMANN. Yes, sir. Now, the rate, as suggested by the department, was as follows: On pink or humpback, 4 cents per case.

Senator OVERMAN. That has been increased in this bill to 5 cents.

Dr. EVERMANN. Yes, sir; that has been increased to 5 cents. On dog or chum we suggested 4 cents.

The CHAIRMAN. That is no increase?

Dr. EVERMANN. No, there is no increase on those two. On coho, or medium red, 5 cents. That would be an increase of 1 cent.

Senator OVERMAN. The bill says 7 cents.

Dr. EVERMANN. That is in the bill; but the department suggested 5 cents. And on king or spring, 7 cents was suggested, which is an increase of 3 cents. On red or sockeye we suggested 7 cents instead of the present law—4 cents.

Of course, the Bureau of Fisheries (or the department) is not primarily concerned with this question. What we are concerned with is the preservation of the fisheries and these figures were submitted merely as suggestive.

The CHAIRMAN. In connection with the reasons you may desire to give for these suggested increases I will say this, doctor: Before this bill was introduced I made the increases over those suggested by the department.

Dr. EVERMANN. Stated briefly, we will say that the changes the department suggested were for two reasons: First, a differential rate, because the canned products does not all have the same market value, and, second, that canned salmon has increased in value since 1906, when the present law went into effect. The rates of 4, 5, and 7 correspond more nearly to the present current prices of canned salmon than 4 cents does. But the increase was not as great in proportion as the increase in the value of the canned salmon.

The CHAIRMAN. Can you give us any figures showing the increases of prices during the last five or six years?

Dr. EVERMANN. Yes, sir.

The CHAIRMAN. I will just allow you to go on, and you will probably cover all those points which enter into our minds, and we will therefore wait until you get through.

Dr. EVERMANN. I think I can put that in right now, Senator.

The market prices of canned salmon in 1906 compared with those in 1911 are as follows: Dog or chum, 1906, \$2.87 per case; 1911, \$3.72.

Humpback or pink, 1906, \$3 per case; 1911, \$3.94.

Coho or silver, 1906, \$3.63 per case; 1911, \$5.67.

Red or sockeye, 1906, \$3.77, as against, in 1911, \$6.33.

King or spring, 1906, \$3.78, as against, 1911, \$6.48. All for a case of 4 dozen cans of 1 pound each.

Senator OVERMAN. What caused that great increase from \$3 to \$6 on king salmon?

Dr. EVERMANN. That could possibly be explained better by Mr. Dorr or Capt. Moser, who are in the commercial business.

The CHAIRMAN. Doctor, has there been a steady increase since 1906, or during any year since 1906 have the prices been lower?

Dr. EVERMANN. I have not the figures here, Senator, to show what the prices have been from year to year since 1906. My impression is that the increase has been more or less gradual and more or less regular, but I can not speak with authority on that point.

Senator OVERMAN. Is there any combination in this fish business?

Dr. EVERMANN. Not to my knowledge; no, sir.

The rates which the Bureau of Fisheries suggested were believed to be all that the business would stand and would be found as high as would be just.

Senator OVERMAN. Can you tell us anything as to the methods of disposing of this commodity? How is it sold? Are the services of middlemen and brokers utilized?

Dr. EVERMANN. I am not sufficiently familiar with that subject to answer the question as fully as it ought to be answered.

Senator OVERMAN. Are the prices you have given the retail prices or the wholesale prices?

Dr. EVERMANN. They are wholesale prices. Is that right, Mr. Dorr?

Mr. DORR. Doctor, I think you have them too high. I have never known of prices as high as you have given.

Dr. EVERMANN. On all of the matters pertaining to the handling of the salmon these gentlemen representing the companies can tell very much more than the Bureau of Fisheries can. But through section 1——

Senator OVERMAN. Before you go on with that I should like to ask you a question. What becomes of this revenue? Does it go into the Treasury like other funds?

Dr. EVERMANN. It goes into the Treasury like other funds; yes, sir.

Senator OVERMAN. Who collects it?

Dr. EVERMANN. On a certain part of it the canners who maintain private hatcheries receive exemptions, in proportion to the salmon fry they liberate.

Senator BOURNE. That is, they get a rebate?

The CHAIRMAN. That subject is covered in another section of the bill.

Senator BOURNE. Take the salt or smoked salmon in bulk, Doctor. Is not that used pretty largely up there as a matter of food, or is it shipped out? Is there much of it?

Dr. EVERMANN. The amount is not great. As to what proportion of it is used locally I am not in a position to say.

Senator BOURNE. You think there would be quite a demand locally for that food as a food supply. Now, why should we tax that food supply consumed locally and which confers a benefit upon the locality?

Dr. EVERMANN. As I say, I am not in a position to show what percentage of it is consumed locally.

We suggested 5 cents per 100 pounds on smoked salmon in bulk.

Senator BOURNE. What is the present tax?

Dr. EVERMANN. The present tax is 5 cents.

"Salt or smoked salmon in bulk, 7 cents per 100 pounds."

Senator BOURNE. What is the present tax on fish oil and whale oil?

Dr. EVERMANN. Ten cents per barrel. Well, that is not mentioned in the present law.

Senator BOURNE. On fish oil the present tax is 10 cents?

Dr. EVERMANN. Yes, sir.:

Senator BOURNE. What was your suggestion?

Dr. EVERMANN. Our suggestion was 10 cents. Fertilizer 20 cents per ton, the present law. We suggested 50 cents per ton.

Senator BOURNE. You suggested that?

Dr. EVERMANN. Yes, sir; except when made from sharks or from offal or waste from salmon canneries or salteries, when we suggested no tax, to encourage the use of refuse.

Senator BOURNE. To encourage the use of by-products?

Dr. EVERMANN. Yes, sir.

The CHAIRMAN. At the top of page 2, about the fish traps——

Dr. EVERMANN. That is all new. At the present there is no tax, I believe, on fish traps.

Senator OVERMAN. Do you know how many traps they have up there?

Dr. EVERMANN. I can not tell, Senator, just how many there are in all Alaska.

Senator OVERMAN. Do you know what the average catch is for a trap?

Dr. EVERMANN. It is very large. A trap is one of the most effective pieces of apparatus in the salmon fisheries. Perhaps Mr. Bower has the number of traps in operation in 1911.

Mr. BOWER. There were 132 stake traps all told.

Senator OVERMAN. That is 132 traps?

Mr. BOWER. Yes, sir.

Senator OVERMAN. What was the catch of salmon?

Dr. EVERMANN. Mr. Bower has a table showing the entire catch and the catch by traps also.

Mr. BOWER. I have figures here showing the catch by apparatus during the year 1911.

Dr. EVERMANN. You might read the catch by traps.

Mr. BOWER. The total catch by traps during the year 1911 was 12,456,836 fish.

The CHAIRMAN. Pounds?

Mr. BOWER. That is the number of fish.

Senator OVERMAN. You have not got it in pounds?

Senator BOURNE. That is the number of individual salmon.

Mr. BOWER. That is the total number of the five species of salmon caught.

Senator OVERMAN. How many traps did you say?

Mr. BOWER. As I remember it, 132 stake traps; there were also 20 floating traps.

Dr. EVERMANN. Yes; that is right.

Senator OVERMAN. Are these traps owned by companies or by individuals?

Dr. EVERMANN. They are owned chiefly by companies.

Mr. DORR. They are owned both ways, Doctor.

Senator OVERMAN. How many companies are there up there?

Dr. EVERMANN. I do not recall offhand the number of companies interested in canning salmon, but Mr. Bowers can tell you.

Senator OVERMAN. Is there any competition between these companies?

Dr. EVERMANN. Yes, sir; there is active competition in practically all parts of Alaska.

Senator BOURNE. What is the capital invested in the 132 traps?

Dr. EVERMANN. These statistics regarding the apparatus, capital invested, and disposition of product can best be answered, Senator, by those who are engaged in that business. We have tables prepared, however, which show these things.

The CHAIRMAN. You have tables prepared, have you?

Dr. EVERMANN. Yes, sir.

The CHAIRMAN. Have you those tables with you?

Dr. EVERMANN. Yes, sir.

Mr. DORR. May I interrupt to request that Mr. Bower give the figures of the fish caught by the other apparatus at the same time, to show in comparison?

The CHAIRMAN. Have you a table there, Mr. Bower, showing that?

Mr. BOWER. Yes, sir; giving the catch of salmon by species and apparatus for each geographic section of Alaska during 1911.

The CHAIRMAN. We will make that statement a part of the record. You might summarize it here.

Mr. BOWER. Summarized it is: Catch by seines—this is the number of individual salmon—was 20,497,232; by gill nets, 10,747,814; by traps, 12,466,836; by hand lines, 211,509; by spear or gaff, 52,482; or a grand total catch of salmon during the year 1911 of 43,975,873. The catch by species is segregated here in the table also.

The CHAIRMAN. Please give that table to the stenographer and it will be printed in the record.

The table is as follows:

Catch of salmon in 1911, by species and apparatus, for each geographic section of Alaska.

Apparatus and species.	Southeast Alaska.	Central Alaska.	Western Alaska.	Total.
Seines:	<i>Number.</i>	<i>Number.</i>	<i>Number.</i>	<i>Number.</i>
Coho, or silver.....	420,515	56,628	.....	477,143
Dog, or chum.....	1,826,315	84,438	.....	1,910,753
Humpback, or pink.....	13,463,726	248,230	.....	13,711,956
King, or spring.....	396	689	.....	1,085
Red, or sockeye.....	1,438,917	2,948,126	9,252	4,396,295
Total.....	17,149,869	3,338,111	9,252	20,497,232
Gill nets:				
Coho, or silver.....	170,619	37,697	121,971	330,287
Dog, or chum.....	155,749	78	174,043	329,870
Humpback, or pink.....	230,093	254	91,764	322,111
King, or spring.....	81,797	23,634	109,722	215,153
Red, or sockeye.....	394,428	520,803	8,635,162	9,550,393
Total.....	1,032,686	582,466	9,132,662	10,747,814
Traps:				
Coho, or silver.....	276,206	89,633	8,000	373,839
Dog, or chum.....	734,827	20,476	173,823	929,126
Humpback, or pink.....	7,373,011	259,072	.....	7,632,083
King, or spring.....	18,418	34,017	3,541	55,976
Red, or sockeye.....	938,674	2,237,586	299,552	3,475,812
Total.....	9,341,136	2,640,784	484,916	12,466,836
Lines:				
Coho, or silver.....	37,068	.....	.....	37,068
King, or spring.....	174,441	.....	.....	174,441
Total.....	211,509	.....	.....	211,509
Spears or gaffs:				
Coho, or silver.....	3,010	.....	.....	3,010
Red, or sockeye.....	49,472	.....	.....	49,472
Total.....	52,482	.....	.....	52,482
Total:				
Coho, or silver.....	907,418	183,958	129,971	1,221,347
Dog, or chum.....	2,716,891	104,992	347,866	3,169,749
Humpback, or pink.....	21,066,830	507,556	91,764	21,666,150
King, or spring.....	275,052	58,340	113,263	446,655
Red, or sockeye.....	2,821,491	5,706,515	8,943,966	17,471,972
Grand total.....	27,787,682	6,561,361	9,626,830	43,975,873

Senator BOURNE. You do not imagine, do you, Mr. Bower, that you get a correct estimate of the number of salmon caught by spear and hand line, do you?

Mr. BOWER. The Government requires reports from individuals showing the total number of salmon caught in Alaska; also statements by the companies engaged in salmon fishing in Alaska.

Senator BOURNE. That statement is based on these reports that come in. What is the penalty if a man fails to make a report if he catches a salmon?

Mr. BOWER. The general fishery law of June 26, 1906, provides a penalty. A section is devoted——

Senator BOURNE. What is it?

Mr. DORR. It is a thousand dollars; a maximum fine of \$1,000 or three months in jail, in the discretion of the court.

Senator OVERMAN. Does your table show how much is caught by individuals, as distinguished from companies?

Mr. BOWER. No, sir.

Senator BOURNE. If a man was hungry and caught a salmon, cooked and ate it, he is fined \$1,000 if he does not make a return to the Government?

Dr. EVERMANN. There is no record made of that, Senator. It is only the commercial fishery regarding which reports are required.

Mr. DORR. This table does not include the native fishing, Mr. Bower, the Indian fishing?

Mr. BOWER. No; the number of salmon taken by natives in their small stake nets is generally supposed to be negligible.

Senator OVERMAN. These companies use, in addition to traps, other methods of catching fish?

Dr. EVERMANN. Yes, sir. They use seines, gill nets, purse seines, and so on.

The line fishing, Senator Bourne, is confined almost exclusively to a certain portion of southeast Alaska, and to the king salmon. The sockeyes will never take a hook; the silver do occasionally; but the king does.

Senator OVERMAN. That is the chinook salmon?

Dr. EVERMANN. Yes, sir; the king or chinook.

Senator BOURNE. If a sportsman catches a salmon there and makes his return as to his catch, does he pay a tax?

Dr. EVERMANN. No. This is only the commercial fishery, including the canning of salmon.

The CHAIRMAN. You say there is no tax at the present time on a trap under the present law?

Dr. EVERMANN. No, sir.

The CHAIRMAN. Why do you suggest \$100 tax on traps?

Dr. EVERMANN. The bureau had this thought in mind: That while it is perhaps impossible specifically to limit the number of traps which may be fished in any region or the number of pieces of apparatus of any particular kind in any particular region, yet it is desirable to limit in some way, if possible, to discover some way by which the fishing in any given region may be limited or restricted; and if a license tax is placed upon the different kinds of gear, we are of the opinion that it would tend to limit fishing—that is, it would deter irresponsible parties who might engage in this kind of fishing. That, of course, is for you, gentlemen, to decide.

It probably is impracticable for the Government to say that there shall be only so many canneries in a certain region or that there shall be only so many fish traps in Alaska. You would probably have to license every individual who made application to fish; but if a fee is charged it would deter some from making application and establishing traps. Moreover, this section goes along with another section farther on, which gives the owner of the fish trap a right to the site where he establishes his trap, and it seemed clear that he should pay something to the Government for the exclusive right to that particular site.

As the law now stands, no one has an exclusive right to any fishing site. A company has a fish trap this year in a certain place. In the fall it pulls up its piling upon which the webbing for that trap was placed, and the next spring, if that company gets back there first and can reestablish its trap on that site, well and good; but if somebody jumps that claim, he has no redress as far as I know. It is a matter of mutual agreement or courtesy or struggle, as the case may be, among the different people or companies who might want to fish a certain region. These two sections—this one and the one farther along which goes along with the license—give with the license the right to continue to hold that particular site.

The CHAIRMAN. The trap is one of the important implements in carrying on this business, too, just the same as the farmer's cultivator or plow is an important implement in his trade.

Dr. EVERMANN. Yes, sir; although more fish are caught by other means than by traps, nevertheless trap fishing is one of the important methods, and the trap is an important apparatus, of course.

Senator BOURNE. I would like to take up that section 2 and ask you whether it would be practicable. What would be the expense incident to carrying out the provisions of that section? How are you going to get these returns? Will you have to put in a lot of assistants there to check up the correctness of the returns made as to the liberation of fry?

Section 2 is as follows:

SEC. 2. That the catch and pack of salmon made in Alaska by the owners of private salmon hatcheries operated in Alaska shall be exempt from all license fees and taxation of every nature to the extent of 40 cents for each and every full thousand red or king salmon fry liberated upon the following conditions:

That the Secretary of Commerce and Labor may from time to time, and, on the application of the hatchery owner, shall, within a reasonable time thereafter, cause such private hatcheries to be inspected for the purpose of determining the character of their operations, efficiency, and productiveness, and if he approve the same shall cause notice of such approval to be filed in the office of the clerk or deputy clerk of the United States district court of the division of the district of Alaska wherein any such hatchery is located, and shall also notify the owners of such hatchery of the action taken by him. The owner, agent, officer, or superintendent of any hatchery the effectiveness and productiveness of which has been approved as above provided shall, between the 30th day of June and the 31st day of December of each year, make proof of the number of salmon fry liberated during the 12 months immediately preceding the 30th day of June by a written statement under oath. Such proof shall be filed in the office of the clerk or deputy clerk of the United States district court of the division of the district of Alaska wherein such hatchery is located, and when so filed shall entitle the respective hatchery owners to the exemption as herein provided; and a false oath as to the number of salmon fry liberated shall be deemed perjury and subject the offender to all the pains and penalties thereof. Duplicates of such statements shall also be filed with the Secretary of Commerce and Labor. It shall be the duty of such clerk or deputy clerk in whose office the approval and proof heretofore provided for are filed to forthwith issue to hatchery owner, causing such proofs to be filed, certificates which

shall not be transferable and of such denominations as said owner may request (no certificate to cover fewer than 1,000 fry), covering in the aggregate the number of fry so proved to have been liberated; and such certificates may be used at any time by the person, company, corporation, or association to whom issued for the payment pro tanto of any license fees or taxes upon or against or on account of any catch or pack of salmon made by them in Alaska; and it shall be the duty of all public officials charged with the duty of collecting or receiving such license fees or taxes to accept such certificates in lieu of money in payment of all license fees or taxes upon or against the pack of canned salmon.

Whenever the efficiency and productiveness of any hatchery, after having been approved in the manner herein provided for, shall be found upon examination to have ceased to merit such approval, the said approval may be withdrawn and notice of such revocation shall be filed in the office of the clerk or deputy clerk of the United States District Court of the Division of the District of Alaska wherein the said hatchery is located. No hatchery owner shall obtain the rebates from the output of any hatchery to which he might otherwise be entitled under this act unless the efficiency of said hatchery has first been approved by the Secretary of Commerce and Labor in the manner herein provided for; nor shall any rebate be obtained from the output of any fry liberated by any private salmon hatchery after the revocation of such approval, or in any case after June 30, 1913.

The CHAIRMAN. That is the law now, Senator. Would not it be better to have said what they do now in order to ascertain whether they are complying with it or not?

Senator OVERMAN. Before you get to that I would like to ask a question. What does it cost to administer these laws there? What is the total cost?

Dr. EVERMANN. When the Alaska salmon service was distinct from the other Alaska matters—fur seals, and so on—the appropriation was \$7,500 for expenses, and we had, to enforce the law, three agents—a salmon agent, assistant salmon agent, and a salmon inspector. Their salaries, in addition to the \$7,500, was the total expense. Of course three agents, three wardens, to look after the fisheries of a great country like Alaska is very inadequate. We should have ten times as many, but that is the present condition.

Senator OVERMAN. You will ask for an additional appropriation?

Dr. EVERMANN. Recently the fur-seal service, the Alaska salmon service, and the fur-bearing animal service of Alaska were combined in one division in the Bureau of Fisheries called the Division of Alaska Fisheries, and the appropriation for that entire division for all these things—the fur seals, the support of the natives on the seal islands, the investigation and study of the fisheries, the enforcement of the fishery laws and regulations, the study of the habits of fur-bearing animals, and the enforcement of the law and regulations regarding fur-bearing animals—the entire appropriation is \$100,000 for the current year, and that is the amount the Secretary has asked for for this year.

Senator OVERMAN. The amount received from the seal business is something like \$300,000.

Dr. EVERMANN. It was a net revenue of something like \$403,000 last year.

Senator OVERMAN. Now, this is a proposed tax on food. It would cost to administer this, over and above what is received from the seal business, about \$7,000?

Dr. EVERMANN. I should say so; yes, sir.

Mr. DORR. Before passing to section 2, if I may be permitted to suggest, there are other revenues provided in section 1 that have not been mentioned yet.

Senator BOURNE. I would like to have an answer to my question in section 2. I want to know what the operation of that section, what the net returns to the Government under that provision are, if you have formed any conclusion.

Dr. EVERMANN. The present law permits private individuals or companies to maintain hatcheries in Alaska and about four or five private hatcheries are maintained. I should say also that in return for the maintaining of private hatcheries and liberating salmon fry the companies or individuals maintaining the hatcheries are exempt from taxation upon a certain proportion of their output.

Senator BOURNE. That is under the present law?

Dr. EVERMANN. Yes. Now, I should say that the salmon hatcheries—private salmon hatcheries—in Alaska were built and operated by the companies before this provision became a law. They operated the hatcheries, one or more of them, for several years before they got any exemption from taxation whatever, and presumably they did it because they believed in the artificial propagation of salmon, and they believed if they could hatch large numbers of salmon fry and turn them loose that they would share in the resulting increase in salmon.

Senator BOURNE. That is evident.

Dr. EVERMANN. They never thought, and of course we can not believe, that they would reap all of the reward from the operation of their hatcheries.

Senator BOURNE. How many private hatcheries are there and how near together are they?

Dr. EVERMANN. I believe there are four or five in operation now.

Senator BOURNE. Covering what part of the territory?

Dr. EVERMANN. They cover a very long stretch of territory. The most northern one is on Kodiak Island at Karluk, operated by the Alaska Packers' Association. Then there are four in southeast Alaska.

Senator BOURNE. What is the distance between the north and south extremes in miles?

Mr. EVERMANN. I could figure it out.

Mr. DORR. I should say it is about a thousand miles.

Senator BOURNE. What does it cost the Government under this provision of the law to keep check of the fry liberated?

Dr. EVERMANN. The cost to the Government for that particular phase of the work, aside from the inspection of the fisheries and the other work in Alaska, I can not segregate. It would be a very small part of our expense, and our entire expense is small.

We proceed in this way under the law: The Secretary of Commerce and Labor is authorized, in fact empowered, to inspect these private hatcheries and certify as to their efficiency. When he has done that, when he has certified——

Senator BOURNE. For how long a period of inspection does that certification rest upon? Does a man simply go there for a day and give a certificate that its sufficiency is O. K., or does he stay there during all the time of the propagation work of the hatchery? What is the custom?

Dr. EVERMANN. There is nothing in the law which defines how thorough the inspection shall be, but we have proceeded in this way: With our three men in Alaska, before the efficiency of any hatchery is passed upon, the hatchery is inspected by one or more

agents of the Bureau of Fisheries. Those people who made those inspections were, I believe, in every case men who are more or less familiar with the methods of fish culture. The period devoted to the inspection is necessarily brief as compared with the entire period of the operation of the hatchery. The hatchery will take eggs in the fall and will continue to have eggs or fry on hand until in the spring at least. We have never been able to keep a man at a hatchery for more than a very brief portion of that period; but the man who makes the inspection can determine from the equipment, from the troughs, jars, and the water supply, and the cleanliness of the place, and all of the other appliances whether that hatchery is properly equipped for doing good work. He can tell by his interviews with the superintendent, the fish culturists, and the foreman whether they know anything about fish culture or not.

Now, that is about as far as he can go. He can not stay there and see that they take the number of eggs that they say they take. We must trust to their sworn statement as to that. He can not stay there and see that all of their eggs hatch, or how many of them fail to hatch. He can not be present there all the time till the fry are liberated.

Senator BOURNE. How long is the period of liberation of the fry? How long does that extend?

Dr. EVERMANN. It is for different lengths of time at the different hatcheries, but I suppose it extends over a period of from a month to two months.

Mr. BOWER. Ordinarily not to exceed two months.

Mr. MOSER. It depends entirely upon the temperature of the water. With a water temperature of about 56° the fish will hatch out in about 60 days under the most favorable conditions in southeast Alaska. The eggs at our hatchery at Loring hatch in about 90 days with a water temperature of 40° to 46° . They commence to hatch in that time.

At our western hatchery, at Karluk, the temperature is below 40° , running along about 36° to 37° . There we have eggs in the basket of one year when the eggs of the following year are coming in. We take eggs at Karluk from June to September and October, so that the late fall eggs are frequently in the baskets when the June eggs are coming in. We have had eggs in the baskets 250 days.

The CHAIRMAN. What do you mean by "the basket"?

Mr. MOSER. The basket is a wire box in which the eggs are placed. These baskets are placed in troughs and covered with running water. The water must be absolutely pure. The baskets are looked over every day and the dead eggs removed, because at the early stages after the eggs are first fertilized they are very delicate and tender until the eyespot appears. Salmon eggs take a great deal longer than other kinds of fish. For example, take the shad on the Chesapeake, the average eggs hatch out in very few days, whereas the period for salmon is very long.

The CHAIRMAN. About how long is it?

Mr. MOSER. As I say, it varies according to the temperature of the water. With a temperature of 50° or 60° it will take 60 days. We have no temperatures of that kind in Alaska. About 45 or 46 is the highest. At our hatchery at Karluk the time runs from 100 to 250 days.

Dr. EVERMANN. One helpful point to touch upon would be what length of time elapses between the date when you liberate your first fry in any year to the last plantings.

Mr. MOSER. Well, that question depends upon the locality. In southeast Alaska, where our fish hatch out more rapidly, they commence to hatch about February. By the end of March that hatchery is pretty well cleaned of its fry. However, at our hatcheries we have large nursery ponds in which the fry are placed, and we hold them in these ponds and in the troughs till we feel that they are sufficiently aged to maintain themselves. We believe that if you can hold fry long enough to enable them to support themselves and gain sufficient strength to protect themselves against their enemies—and their enemies are numerous—we will have better results. We are now engaged, as I shall explain to the committee when I have my hearing, in experimenting with food for fry.

Dr. EVERMANN. Mr. Chairman, that brings out the point I had in mind in connection with the question, as I understood it, that you asked as to the time between the beginning of the liberating of the fry and the final liberation of the last fry. It is a long period, not only several weeks, but two or more months at least.

Mr. MOSER. The last of our fry at our Loring hatchery are usually liberated by the end of March, whereas at our Karluk hatchery it is frequently August before the last are liberated.

Dr. EVERMANN. So that to have an inspector who could personally be present——

Senator BOURNE. Would be an impossibility.

Dr. EVERMANN. It would practically require him to be there all the time.

Senator BOURNE. Then the operation of section 2 depends entirely upon the integrity of the individual operating the hatchery. That is true, is it not?

Dr. EVERMANN. Yes; I think that can be said. The inspector can certify that the hatchery is a well-equipped hatchery; that the superintendent and his assistants appear to be capable men; and then assume that the company will conduct that plant to the best of their knowledge and equipment. We are justified, then, in saying that that hatchery is an efficient hatchery.

Senator BOURNE. And in order to check up the number of fry liberated, you have to take the statement of the management of the hatchery. What is the rebate that has been made under the operation of that law to the five private hatcheries in existence, in dollars?

Dr. EVERMANN. The rebate is the tax on 10 cases for every thousand fry liberated.

Senator BOURNE. What is the amount in dollars per annum?

Dr. EVERMANN. That would be 40 cents per thousand fry. The exemption from taxation in 1911 amounted to \$42,647, as I have it in this table.

Senator BOURNE. \$42,000.

The CHAIRMAN. What was the tax? If there had been no exemption, what would the companies and the fishermen have had to pay out?

Dr. EVERMANN. They would have had to pay that amount.

The CHAIRMAN. In other words, the rebate equaled the whole amount of the tax?

Dr. EVERMANN. No.

The CHAIRMAN. That is what I want to get at.

Dr. EVERMANN. The license tax on the various fishery products in 1911 was \$116,332.03. On canned salmon alone, which is the only factor we are considering now, the tax was \$112,952, and the exemption from taxation was \$42,647.

The CHAIRMAN. So that \$112,000 was the tax upon the catch and pack of salmon——

Dr. EVERMANN. On canned salmon alone; yes, sir.

The CHAIRMAN. So that if there had been no rebate allowed they would have paid-in taxes one hundred and twelve thousand and odd dollars?

Dr. EVERMANN. That is as I understand it.

Senator BOURNE. So that all you received was \$70,000 net. In other words, they were allowed a credit of \$42,000 against \$112,000?

Dr. EVERMANN. Yes, sir; and in return for that \$42,000 they operated five hatcheries.

Senator BOURNE. What does it cost to erect a hatchery? Suppose the Government had five hatcheries of that kind; what would it cost?

Dr. EVERMANN. The cost in Alaska, of course, is very considerable. I could not speak offhand as to the cost of these hatcheries.

Senator BOURNE. Could you not give us an estimate, Doctor?

Dr. EVERMANN. I have understood that the Loring or Naha hatchery, operated by the Alaska Packers Association, has cost considerably over \$100,000.

Mr. MOSER. The hatchery on the Naha River has a capacity of 110,000,000 eggs. Of course it has been added to. Our water system has been quite extensively improved. We have a water system there to get water for the hatchery on which we have laid some 19,000 feet of 8-inch and 6-inch pipe from a spring. We have built extensive ponds for the fry. We are building other ponds now. We are also building ponds to see if we can not raise some natural food for the fry.

Senator BOURNE. What would you figure the cost of the five private hatcheries to be?

Mr. MOSER. I can not speak of any excepting our own. We have one equipped for 55,000,000, and we have one with a capacity of 110,000,000 eggs. The other private hatcheries are small. I do not think they would run over, the largest one, 10,000,000 eggs. They are very small.

Senator BOURNE. All the hatcheries together probably do not produce more than 200,000,000 eggs per annum?

Mr. MOSER. Probably 200,000,000 eggs would cover it, per year.

Senator BOURNE. The cost of your largest hatchery is \$100,000?

Mr. MOSER. It is fully that. We have never kept our hatchery cost separate. That is our running expenses have always been, included. I can give you the total expenditure——

The CHAIRMAN. We can bring that out more fully when you make your statement, Captain, which I think probably would be better.

Mr. MOSER. I can give it to you in one moment; that is, our total expenditures to date. We have operated the Karluk hatchery since 1896 and the Loring hatchery we have operated since 1900. It was built in the winter of 1900-1901. Those two hatcheries together—I have the data somewhere—have cost us to date about \$475,000.

Senator BOURNE. With a capacity of 160,000,000 eggs per annum?

Mr. MOSER. Yes.

The CHAIRMAN. When you say that hatchery cost you \$475,000 that includes the initial cost and then the actual cost of operation of the plant?

Mr. MOSER. The rebate is not taken into consideration.

The CHAIRMAN. That is one of them since 1896—for 16 years—and the other one since 1900—12 years——

Mr. MOSER. Our total expenses at the Fortmann hatchery are \$229,758.

The CHAIRMAN. Does that include the cost of maintenance and depreciation?

Mr. MOSER. No; depreciation is included.

The CHAIRMAN. That is the cost of maintenance?

Mr. MOSER. Yes, sir; that is the cost of maintenance and construction of our Fortmann hatchery from the date of building to December 31, 1911.

The CHAIRMAN. With no credit for rebates?

Mr. MOSER. Yes, sir; with no credit for rebates.

The CHAIRMAN. What has been the amount of rebate you have received?

Mr. MOSER. For the hatchery at Karluk, operating since 1906, the cost has been \$244,407. The total for the two hatcheries is \$474,166.

The CHAIRMAN. With a credit of what for rebates through that period?

Mr. MOSER. With a credit for rebates during that period of \$199,800.

The CHAIRMAN. That is nearly half of it.

Mr. MOSER. Yes; it is the difference between \$474,000 and \$200,000.

Senator BOURNE. But your estimates, Captain, as I understand you, make no charge for depreciation and have no allowance for interest. It is just the actual expense in dollars?

Mr. MOSER. Yes, sir. It does not include surveying, superintendent, transportation, office expenses, and so forth. It is simply the construction and maintenance without interest.

Dr. EVERMANN. It will be helpful, I think, to call attention to the cost of producing fry in Alaska at the Federal hatcheries, and then the cost to the Government of the production of salmon fry in private hatcheries. The Government has two salmon hatcheries in Alaska, one at Yes Lake, southeast Alaska, and one at Afognak, in middle Alaska.

Senator BOURNE. Can you give us their capacity and their cost?

Dr. EVERMANN. The capacity of the hatchery at Yes Lake is 72,000,000 fry?

Senator BOURNE. Seventy-two million?

Dr. EVERMANN. Yes, sir. The cost of operating that hatchery is about 26 cents per thousand fry. The cost at the Afognak hatchery is about 50 cents per thousand fry. The cost to the Government of the fry which the private hatcheries liberate is 40 cents per thousand.

The CHAIRMAN. What would be the cost to the Government in rebates?

Dr. EVERMANN. The cost to the Government in operating its own hatcheries is——

Senator BOURNE. Thirty-eight cents?

Dr. EVERMANN. Yes; 38 cents on an average. The cost to the Government of the fry which it gets from the private hatcheries in the way of rebates is 40 cents per thousand, so that practically they are the same.

The CHAIRMAN. Does that also include the general cost of administration and inspection and so on, or is that simply the rebate?

Dr. EVERMANN. That includes simply the hatchery operation.

Senator OVERMAN. What was the cost of those two plants?

Dr. EVERMANN. The initial appropriations were \$25,000 each.

Mr. BOWER. They represent an outlay of more than \$50,000.

The CHAIRMAN. What do you mean by "outlay"?

Dr. EVERMANN. Cost of equipment.

Mr. BOWER. Cost of constructing the station and equipping it ready for operation.

Dr. EVERMANN. And the capacity of the Federal hatcheries is not as great as that of the Karluk and Loring hatcheries?

Mr. BOWER. It is greater than the Karluk hatchery.

Senator BOURNE. It is greater than the Karluk hatchery.

Mr. MOSER. Will you allow me to say a few words in this connection in regard to the cost of hatcheries. We had under consideration in our company the moving of the Karluk hatchery to a better location. In discussing the matter with the president of the company, he said to me, "If you can move that hatchery to the new location for \$75,000 go ahead." I looked over the field and I concluded I could not do it for \$75,000.

Senator BOURNE. That is your larger hatchery?

Mr. MOSER. No; the smaller hatchery. The one with a capacity of 55,000,000 eggs, to build it up and increase its capacity to 100,000,000 eggs.

The CHAIRMAN. What was the initial cost of equipment of those two hatcheries, Capt. Moser?

Mr. MOSER. I could not tell you what the initial cost was. We have never kept any exact record of construction. You see we operate canneries near the hatcheries, and the cost of transportation has not always been included. Our hatchery expenditures combine construction, improvements, and maintenance.

Senator BOURNE. Which would the fishing interests of Alaska rather do—would they rather erect their own hatcheries and get the rebate they receive now or would they rather have the Government erect its own hatcheries and operate them independently of the fishing interests themselves?

Mr. MOSER. We would rather operate our own hatcheries. I am quite sure we can operate our hatcheries as economically as the Government can and with equally as good results.

Senator BOURNE. That is, under the system of receiving a 40-cent rebate. From a business standpoint your returns at the end of the year would show greater profit than if the Government operated its own hatcheries and you received no rebates at all.

Mr. MOSER. Senator, I am prepared to show that the average profit that we have made on our hatcheries for the past six years has been \$43.84, or 0.016 of 1 per cent per year, not taking into consideration the interest on the investment—just the operating expense.

The CHAIRMAN. That is the profit on what, Captain?

Mr. MOSER. That is the profit we have made by the rebate system. That is the difference between what it has cost us to operate those two hatcheries; just the running expenses and the amount we have received by rebates in the six years, which is \$263.05, or \$43.84 per year profit.

The CHAIRMAN. That rebate, then, has practically run the hatcheries?

Mr. MOSER. It has run the hatcheries.

The CHAIRMAN. And according to the doctor's statement at a little greater cost to the Government than its own hatcheries?

Mr. MOSER. I referred the matter to the Bureau of Fisheries a year or more ago, asking their prices, and in a letter, under date of March 28, 1910, they gave the cost at Yes Bay per 1,000 salmon fry at 41 cents in 1907, 37 cents in 1908, and 34 cents in 1909, or an average cost of 37 cents. The doctor, I think, gives the average cost at 26 cents.

Dr. EVERMANN. These figures are for the year 1911.

Mr. BOWER. That is on the maximum output of the hatchery. If the hatchery does not turn out a maximum supply, these figures are increased proportionately.

Mr. DORR. Are these figures actual for what has happened, or are they based on the full capacity of the Government hatcheries without regard to results?

Mr. BOWER. The figures so far as Yes Bay is concerned are based on the full capacity of the hatchery for last year.

The CHAIRMAN. Did the hatchery run to full capacity?

Mr. BOWER. The Yes Bay hatchery ran to full capacity last year—72,000,000. But at Afognak, where the cost was considerably higher, the output was less than half the capacity of the hatchery.

The CHAIRMAN. Why did you not turn out the full capacity?

Mr. BOWER. The run of salmon did not warrant. There were not eggs enough to fill the hatchery; only 30,000,000 eggs, approximately, were taken.

The CHAIRMAN. Now, then, Doctor, you may proceed with reference to that section.

Dr. EVERMANN. I should say that this so-called rebate system simply means this: That the Government is buying salmon fry.

Senator BOURNE. In effect?

Dr. EVERMANN. In effect, yes; and the Government does that in other places. It buys trout eggs and salmon eggs and various other kinds of eggs from private individuals in various parts of the United States. Now, whether that is the best way to do it in Alaska or not is a question.

The CHAIRMAN. What does the bureau think about it?

Dr. EVERMANN. The bureau would be very glad if Congress would provide a large number of Federal hatcheries for Alaska.

Senator BOURNE. How many?

Dr. EVERMANN. It is hard to say how many would be necessary, but certainly a very much greater number than now exists. There are now seven, all told, in Alaska. There should be many more than that.

Senator BOURNE. Many times more than that?

Dr. EVERMANN. Yes, sir; many times more than that. In my opinion, the only way in which the salmon fisheries of Alaska can be

kept up is through the operation of numerous hatcheries in many different places and in each particular fishing region. We do not know to what extent the salmon spread from one stream to another, but the assumption is that they do not spread indefinitely. They spread some, undoubtedly, but the bulk of salmon hatched in any given region will be caught in that given region, and therefore, in order to keep the fisheries in all regions going, it is necessary, in my opinion, to have hatcheries in all these regions.

Senator BOURNE. Doctor, it seems to me that private interests operating canneries can operate hatcheries much cheaper than the Government can operate hatcheries, not being in the canning business. What do you think about that?

Dr. EVERMANN. I do not know as to that. Of course, a hatchery is an entirely different proposition from a cannery.

Senator BOURNE. Absolutely; but the hatchery can be operated in conjunction with the cannery, can it not, as a matter of fact?

Dr. EVERMANN. They are in the same general region, but they are not in the same building.

The CHAIRMAN. They are very frequently separated by considerable distances also.

Dr. EVERMANN. Yes, sir. And they are operated by different individuals; that is, the force in a cannery is not available for operating the hatchery, and conversely.

Senator BOURNE. But the general overhead charges for both would apply. You are operating a larger force with one unit. To my mind it is absolutely apparent that private enterprise running canneries can operate hatcheries much cheaper than the Government can run hatcheries only.

The CHAIRMAN. Well, if the Government had 15 or 20 hatcheries, it would conduct them proportionately much cheaper than it does two or three.

Dr. EVERMANN. Yes, sir.

Senator BOURNE. Not, however, if they were spread, Mr. Chairman, over an extent of a thousand or fifteen hundred miles. If the units were sufficiently close they would have the benefit of that, but these hatcheries would be independent units. You could buy your supplies in one operation and get the advantage of discounts and wholesale prices and bulk transportation.

The CHAIRMAN. If the Government had 20 or 30 hatcheries, it would very largely do its own distribution and transportation.

Senator BOURNE. Yes; if it had enough it could do that.

The CHAIRMAN. Do you know how many hatcheries we have in the State of Washington, Doctor?

Dr. EVERMANN. State hatcheries?

The CHAIRMAN. Yes; State hatcheries?

Dr. EVERMANN. I do not know; but I know there are several.

The CHAIRMAN. I think there are 22. Do you know, Mr. Dorr.

Mr. DORR. It is something like that.

The CHAIRMAN. In the State of Washington there are 20 at least.

Mr. DORR. And they have Federal hatcheries as well.

Senator BOURNE. Then your gross annual expense is several hundred thousand dollars?

The CHAIRMAN. The last estimate I had was based on 16 hatcheries and was about \$100,000. I do not know what the State appropria-

tions are now, but I thought I would bring that point out here, in connection with the statement of Dr. Evermann's, that we needed several times the present number of hatcheries in Alaska. It is not out of place at all, because in my own State we maintain twenty-odd State hatcheries, and there are two or three Federal hatcheries.

Dr. EVERMANN. Following out the same proportion, we ought to have two or three hundred Federal hatcheries in Alaska.

Mr. DORR. The Federal Government, if I may be permitted to suggest, also has several hatcheries on the Columbia River in addition to those the chairman mentioned. You will remember, Senator, the one on the White Salmon and one on the Clakamas Rivers.

Senator BOURNE. Yes; and the State has several.

Mr. MOSER. In the State of Washington, also, all the taxes on the fisheries in the State go back to the fisheries. In Alaska they do not.

Senator BOURNE. It is your opinion that all the taxes levied on fishing industry in Alaska should be appropriated for the extension and protection of that industry?

Mr. MOSER. By all means. There is no question about that in my mind. I think a great deal of the pressure now brought about to increase the taxes on the Alaska fisheries comes from the interior of Alaska, where this additional money is wanted for interior improvement—building roads and so forth.

The CHAIRMAN. We can go into that a little more fully later on, gentlemen. I think we had better go on now with these schedules.

Dr. EVERMANN. Going back to the schedule of taxes, page 2, line 3. The purse seine, in my judgment, is one of the most difficult pieces of fishing apparatus to regulate. A trap has a definite location and it can be inspected from time to time. A purse seine is movable. It can be used here or there or any place. Fish may get by it when it is fished here, but the purse seine can follow them up and get another chance at them and still another, and there is always the danger, of course, of the purse seine being operated in prohibited waters—that is, too close to the mouth of a stream or in the mouth of a stream, which might be unlawful.

For that reason, it was thought that a tax of 30 cents per fathom on purse seines would be fair.

The CHAIRMAN. What would that amount to, on an average?

Dr. EVERMANN. The purse seines are from 200 to 300 fathoms. On a purse seine 200 or 300 fathoms in length the tax would be from \$60 to \$90; 150 to 300 fathoms would make \$45 to \$60. It would be a little higher, perhaps, on the average purse seine than on the average trap. Personally I believe that is proper. [Reading:]

For all other forms of fishing gear, including haul seines, stake nets, gill nets, and trammel nets, 1 cent per fathom per annum.

The question of canned salmon and all the other matters we have already considered, I believe.

The third clause of this section simply provides a method of tagging the apparatus.

Section 2, regarding the so-called rebates, I think we have discussed sufficiently.

The CHAIRMAN. Doctor, would you advocate doing away with this rebate system without some provision or assurance that the Government will establish hatcheries in Alaska?

Dr. EVERMANN. I would not. I believe that it is proper to encourage private individuals to operate hatcheries so long as the Federal Government does not do it adequately; but whenever provision is made for the Federal Government to have, even approximately, the necessary number of hatcheries in Alaska, then I would say that the Federal Government should do it all.

The CHAIRMAN. Do you think that if the rebate system should be continued that it should be continued as it is now—that is, that the hatcheries should get a rebate on the full number of fry liberated?

Dr. EVERMANN. Section 2, line 4, suggests a slight change in the wording. Instead of the exemption of taxation on 10 cases of salmon for every thousand fry liberated we simply put it 40 cents for each thousand fry.

The CHAIRMAN. That amounts to about the same thing, does it not?

Dr. EVERMANN. It will amount to a little less under the proposed schedule.

Mr. DORR. It amounts to the same thing on the present tax.

The CHAIRMAN. That is what I mean.

Dr. EVERMANN. That is right; yes, sir.

The CHAIRMAN. What I wish to get at is this: Do you think these hatcheries should receive full credit or rebate for the full amount of fry liberated, or should they be considered as under obligation to maintain the supply of salmon themselves because they reap largely the benefit? Of course it is true that some of the fry released by Capt. Moser's hatchery, for instance, may be caught by some other company in the fishery business, but we have a right to assume, I think, that he gets considerable benefit because of the fry released.

Dr. EVERMANN. I do not know whether it would be possible to figure out any——

The CHAIRMAN. Anything that would be done would have to be an arbitrary proposition.

Dr. EVERMANN. If an equitable, arbitrary division of benefits could be made, I see no particular objection to that.

The CHAIRMAN. Of course, it is evident that the salmon fisheries consider a hatchery run by themselves as of considerable benefit, because they started and maintained them long years before this rebate was allowed. You have no suggestions to make with reference to that?

Dr. EVERMANN. I do not believe that I have, Mr. Chairman.

Mr. MOSER. I would like to say, in connection with that, the Federal Government operates hatcheries——

The CHAIRMAN. We will take that up fully, Captain, when you make your statement. That is one of the important questions to be considered.

Mr. DORR. I should like to be permitted to make this statement for the benefit of Dr. Evermann and the committee in connection with section 1: While the proposed trap license of \$100 a year is double that in any State, we have concluded, speaking for the gentlemen that are interested with me and for myself, representing various interests, not to oppose that \$100 trap license, but we shall strenuously urge that the license on all this minor gear be eliminated entirely.

Senator BOURNE. What do you mean by the minor gear?

Mr. DORR. Other kinds of fishing gear.

The CHAIRMAN. That is, gill nets, trammel nets, and so on?

Mr. DORR. Yes; all floating gear.

Dr. EVERMANN. Would you leave the tax on purse seines?

Mr. DORR. Well, if it is a question of revenue, I would; if it is a question of regulation, I would not.

Dr. EVERMANN. Regulation is what we had in our minds.

The CHAIRMAN. The committee will now adjourn to meet to-morrow at 10 o'clock a. m.

Thereupon, at 11.45 o'clock a. m., the subcommittee adjourned until to-morrow, Friday, May 10, 1912, at 10 o'clock a. m.

FRIDAY, MAY 10, 1912.

**COMMITTEE ON FISHERIES,
SENATE OFFICE BUILDING,
Washington, D. C.**

The subcommittee met at 10 a. m.

Present: Senators Jones (chairman), Bourne, and Overman.

Also appeared Hon. James Wickersham, Delegate in Congress from Alaska; Mr. Barton W. Evermann, Chief Division of Alaska Fisheries; and Mr. Ward T. Bower, assistant agent Alaskan Salmon Fisheries. Also, Messrs. John Sidney Webb, Aldis B. Browne, Charles W. Dorr, and J. F. Moser.

STATEMENT OF DR. BARTON W. EVERMANN—Resumed.

The CHAIRMAN. Dr. Evermann, we will now proceed. Have you any further suggestions to make with reference to sections 1 and 2 of the bill?

Dr. EVERMANN. I have not, Mr. Chairman.

The CHAIRMAN. Then we will proceed with section 3.

Section 3 is as follows:

SEC. 3. That it shall be unlawful to erect or maintain any dam, barricade, fence, fish trap, or other fixed or stationary obstruction, except for the purposes of fish culture or scientific investigation under the direction or with the approval of the Secretary of Commerce and Labor, in any of the waters of Alaska at any point where the distance from shore to shore is less than 500 feet, or within any salmon stream at or above any point where the same is less than 500 feet in width, or within 600 yards of the mouth of any salmon stream less than 500 feet in width, with the purpose or result of capturing salmon or preventing or impeding their ascent to their spawning grounds; and the Secretary of Commerce and Labor is hereby authorized and directed to have any and all such unlawful obstructions removed or destroyed.

Dr. EVERMANN. Section 3 differs from the present law in these respects: First, it permits the placing of barricades for scientific purposes—purposes of investigation. It strikes out the word "red." In the old law it said "Any red salmon streams." We make it so as to read "Any salmon streams."

It increases the 500-yard limit to 600, and that distance of 600 yards is preserved throughout all of the sections which follow. Those I believe are the essential features of section 3.

The CHAIRMAN. What importance do you attach to the increase of 600 yards from the mouth of any salmon stream?

Dr. EVERMANN. It simply affords a little better protection. Frequently the configuration of the coast line may be such that if

fishing is permitted, say, within a distance of four or five hundred yards, it will result just the same as if you are fishing in or at the mouth of the stream itself.

The CHAIRMAN. Have you found any conditions in Alaska that warrant this increase?

Dr. EVERMANN. I understand that there are places where that condition exists, and the field agents for that reason have recommended that slight increase of 100 yards.

The CHAIRMAN. Have you had reports with reference to particular localities?

Dr. EVERMANN. I think so. I can not say whether there are any in the published reports or not; but that was the consensus of opinion of the three field agents.

The CHAIRMAN. Did they recommend these 600-yard limits?

Dr. EVERMANN. Yes, sir.

The CHAIRMAN. Do they think that will meet the situation?

Dr. EVERMANN. Yes, sir; they think so.

Mr. DORR. The fishermen care nothing about the increase from 500 to 600 yards; but the question of including all salmon streams, which covers pink and dog salmon streams, is a very, very important matter to us. Under the old law we are excluded from fishing within a certain distance of the mouth of any red-salmon stream. Now, as a matter of fact—I think Dr. Evermann will agree with us—there are a great many little streams in Alaska that carry pink salmon. Pink salmon ascend a small stream—almost as small a stream as you can imagine—and these very small streams are so frequent there that to include the pink-salmon streams in the prohibited area would practically shut out a great deal of fishing along the coast in the vicinity of these infinitesimal streams that are of no consequence one way or the other as spawning grounds.

The CHAIRMAN. If they are of no consequence one way or the other, what is the objection to this increase in distance as applied to all these streams?

Mr. DORR. We do not object to the increase in the distance as applied to red-salmon streams, but as applied to pink-salmon streams we do object to their being included at all. As I said, Senator, there are so many of them and they are so small; they frequently come trickling down in a locality where fishing is carried on; and if we are prohibited from fishing in the vicinity of pink-salmon streams it is going to cut out a great area without any corresponding benefit.

The CHAIRMAN. That is, you think the increase of 100 yards, or the increase to 600 yards, with this condition applied to all salmon streams, will cut you out of a large fishing area?

Mr. DORR. Under the present law pink-salmon streams are not regarded at all and by this suggested change they are included in the reserved spaces or area, and the inclusion of pink-salmon streams would eliminate a great fishing field without, I say, any corresponding benefit in the perpetuation of the species.

Senator OVERMAN. There is nothing in this section that says anything about red or pink salmon.

Mr. DORR. No, sir; but under the present law we are simply prohibited from encroaching upon the mouth of a red-salmon stream.

The CHAIRMAN. The proposed bill leaves out the word "red."

Mr. DORR. The proposed modification leaves out the word "red" and makes the prohibition run against all salmon streams.

The CHAIRMAN. Doctor, what do you say to that?

Dr. EVERMANN. In 1903 and the years immediately following and just preceding the enactment of the present law it was urged that the pink salmon were so abundant that it was probably not necessary to place as much restriction upon them as upon the red salmon, and that view was accepted and the word "red" was inserted in the present law, and we did not place any restriction upon the nearness to the stream, to the mouth, of fishing for pink salmon or humpback. But since that time the canning of the humpback has developed enormously, and the bureau feels now that the time has come when the same protection should be afforded the cheaper grades of salmon as was afforded in 1906 to the red salmon. We hardly feel that there should be any distinction now.

At the same time, there is something in Mr. Dorr's contention. The pink-salmon streams as a rule are small streams, and these small streams, if they carry salmon at all, will carry pink salmon, and many of these small streams are close together, so close together in some cases that this law would probably prohibit fishing anywhere between the mouths of, say, two adjacent streams. That would throw out a considerable stretch of coast line. That is, I think, probably true. But that would not be true in all cases. I should say in the majority of cases there would be an opportunity to fish off the mouth of the pink-salmon stream just as off the mouth of the red-salmon stream.

The CHAIRMAN. Has the bureau noted any diminution in the supply of salmon off these small streams?

Dr. EVERMANN. It is the opinion of the agents, and I think the fisheries statistics bear out and justify that opinion, that the time has come when not even as many pink salmon can be gotten as the packers would like to get in all of the places where they have formerly fished for them.

The CHAIRMAN. Where there is no limitation as to fishing at the mouth of a small stream, what prospects are there of getting practically all the fish that go into that stream?

Dr. EVERMANN. I think that the possibility of getting practically all of the fish that come into a stream is so great that additional restrictions are necessary.

The CHAIRMAN. You are very strongly of the opinion that there should be some limitation, at any rate, with reference to fishing off the mouths of all these streams?

Dr. EVERMANN. I think so; it seems to me that we ought to proceed upon this general principle: That every stream which carries commercial fish, commercial salmon, should be safeguarded in such a way as will result in the continuance of that stream as a salmon stream.

The CHAIRMAN. No matter what sort of salmon is found there?

Dr. EVERMANN. Yes, sir; no matter what sort of salmon is found there, because all the salmon now are valuable, and no stream should be entirely depleted.

Mr. DORR. Doctor, it is a fact, is it not, that the pink salmon ascend the red-salmon streams the same as other streams?

Dr. EVERMANN. Yes, sir.

Mr. DORR. But that red salmon only ascends streams, as a general rule, which head in a lake?

Dr. EVERMANN. That is right.

Mr. DORR. Therefore, if the red-salmon streams are protected for red salmon they are likewise protected for pink salmon.

Dr. EVERMANN. Yes, sir; for the pink salmon that go into those streams.

Mr. DORR. They are protected for the pink salmon that go into those streams; while pink salmon do not confine themselves to streams with lakes. They ascend all little streams as well as large ones. Very generally all over the coast, in all the little inlets, no matter if they are only 10 feet wide or 20 feet wide, you can see them go up these little streams. Now, literally, there is no stream in Alaska but what carries some salmon.

The CHAIRMAN. What sort of salmon are those going up the stream at Ketchikan, Mr. Dorr?

Mr. DORR. They are all pink, and this provision would cut that Ketchikan fishery out absolutely.

The CHAIRMAN. Why? Is there no other stream there close by?

Mr. DORR. No; it is the only stream there and the fishery would be within the prohibited distance of the mouth of that stream if this change is made in the law.

The CHAIRMAN. Can you not fish outside of the 600-yard limit?

Mr. DORR. No, sir; it is impracticable in that particular instance to get outside and do any successful fishing.

The CHAIRMAN. Why not?

Mr. DORR. There is no opportunity there. They fish by seining, and the conditions are not suitable for hauling seines at any great distance away from the mouth of this creek.

And right in that connection I would like to remark that that stream has been fished for 20 years at least without any restriction, and there are apparently just as many salmon there to-day as there ever were. There was a salmon saltery there before the town of Ketchikan. This saltery later developed into a cannery, and now the town has grown up right around this ancient fishery, but the fish are apparently as abundant as ever.

The CHAIRMAN. Have you any report on a particular stream, Doctor, that you have in mind now, showing the need of this restriction?

Dr. EVERMANN. No, sir; not with me.

The CHAIRMAN. I can see the force of your argument from a theoretical standpoint.

Dr. EVERMANN. I can not cite the committee to any particular stream at this moment and I am not sure that any particular streams are discussed in the reports. Probably they are, but I do not recall them offhand.

The CHAIRMAN. How would this strike you: Suppose we could give authority to the Secretary of Commerce and Labor, upon a showing or report that a restriction of this kind was needed on a particular stream, to place a restriction on that stream, instead of placing an ironclad restriction in the bill. What would you think of a restriction like that?

Dr. EVERMANN. That, I think, would be satisfactory.

Senator OVERMAN. Would not it be better to put the ironclad restriction in and give the Secretary power to suspend?

Dr. EVERMANN. I am inclined to think, myself, that that would be the better way.

Senator OVERMAN. Then they could make the showing. The other way would place the burden on the Government. This way puts the burden on the man who would fish.

The CHAIRMAN. How would your idea be, Senator?

Senator OVERMAN. Just let the bill contain a prohibition which the Secretary of Commerce and Labor may suspend in his discretion.

The CHAIRMAN. That is putting the burden on the fishing people?

Senator OVERMAN. Yes.

The CHAIRMAN. Well, that strikes me as probably better than to make an ironclad restriction.

Dr. EVERMANN. Senator Overman's suggestion, it seems to me, would work out very well, because it would afford protection to these streams about which we do not know definitely until we can find out definitely, and then, if the protection is found to be unnecessary, it can be removed.

The CHAIRMAN. Now, Mr. Dorr, probably it would be well, right in connection with this subject, to have your views on that phase of it, if you are prepared to give them now. What I mean now is not on the general features of each section but on this suggestion with reference to giving authority to the Secretary.

Mr. DORR. I think that point is fully covered by section 6 of the existing law, which reads as follows—that part of it necessary to cover the point:

SEC. 6. That the Secretary of Commerce and Labor may, in his discretion, set aside any streams or lakes as preserves for spawning grounds, in which fishing may be limited or entirely prohibited; and when, in his judgment, the results of fishing operations in any streams, or off the mouth thereof, indicate that the number of salmon taken is larger than the natural production of salmon in such stream, he is authorized to establish close seasons or to limit or prohibit fishing entirely for one year or more within such stream or within 500 yards of the mouth thereof, so as to permit salmon to increase. * * *

The CHAIRMAN. Is not that phase covered in the pending bill?

Mr. DORR. It covers your point exactly, I think, by increasing the distance to 600 yards.

Senator OVERMAN. And it is provided also—

That such power shall be exercised only after all persons interested shall be given a hearing, of which due notice must be given by publication; and where the interested parties are known to the department they shall be personally notified by a notice mailed not less than 30 days previous to such hearing.

I think that would cover it, as you say.

The CHAIRMAN. Then the provisions in this bill cover the provisions of section 6 of the present law?

Dr. EVERMANN. Yes, sir.

The CHAIRMAN. I was sure we had something of that kind.

Dr. EVERMANN. Section 7 of the present law covers section 6 of the old law; but it strikes out the last provision and changes the Secretary's authority to extend the distance from the stream mouth not to exceed 1 nautical mile. The present distance is 500 yards. That was the suggestion, but I believe that "1 nautical mile," while it was in the original draft, is not in the bill now.

The CHAIRMAN. Well then, as I understand, Mr. Dorr, you have no objection to having the discretion left in the Secretary one way or the

other, either in the existing law or otherwise, so as to cover that anyhow?

Mr. DORR. We have no objection to any reasonable discretion and we think the present law covers that point by increasing the distance to the suggested distance of 600 yards.

The CHAIRMAN. Doctor, we will proceed to section 4. That refers to the placing or installing and operation of fish traps.

Section 4 is as follows:

SEC. 4. That it shall be unlawful to install or operate any fish trap in the waters of Alaska without a license from the Secretary of Commerce and Labor, and any person making application for a license to operate a fish trap first shall obtain the approval of the Secretary of Commerce and Labor, and for that purpose shall submit to the Secretary of Commerce and Labor an accurate survey of the proposed location, made by a competent surveyor and certified to by him, showing the location thereof and certifying that the said location has been marked by two piles or monuments at or above high-water mark, that said piles or monuments indicate the lateral extent of the proposed trap, and that they are not within 600 yards of any other similar marker of any occupied or valid claim or location for a like purpose; and, further, that a notice of the proposed location has been posted on each of said piles or monuments. Said notice shall be on a board not less than 12 by 18 inches in size and in letters not less than one-half inch in height painted thereon, or of some other equally obvious or permanent character, and shall state the purpose of the location, the name of the claimant or claimants, and the approximate distance and direction of the lines bounding the proposed location.

Every person being holder or occupant of any one or more existing locations upon which during the season last preceding a fish trap was actually and lawfully operated by him shall have the exclusive and preferential right until January 1, 1913, and thereafter year by year until abandoned, to file an application for license for the continued use of such location.

Where surveys show adjacent fish traps operated during the season last preceding to have been within the prohibited distance from each other, that occupant who has greatest priority of continuous occupation shall have precedence. Applications for hitherto unclaimed or for unoccupied or abandoned locations shall be filed in the order of their receipt, and the first received shall have the precedence over any other.

It shall be unlawful to obtain any license for the erection and operation of a fish trap with any purpose other than with a bona fide intention to erect and maintain in the location described therein an effective device capable of fishing as is usual in such contrivances. Failure for the period of more than one fishing season to construct and operate such a device, occupying approximately the full extent of the area designated in the application, or the erection of such a structure as by its nature shall indicate that there is a not a bona fide purpose that it shall be an efficient fishing appliance, shall be deemed prima facie evidence of lack of such bona fide intention, and, in addition to the penalties elsewhere provided, the offender shall be subjected to the forfeiture for a period of four years of the right to renew such license or to acquire a license covering any portion of the said location.

Any person operating a fish trap who shall be convicted of having operated the same illegally shall forfeit the license to occupy such location, and such forfeiture shall be effective immediately upon such conviction.

Licenses to operate a fish trap shall not be transferable or assignable, except in the event that any licensee shall be engaged in canning, salting, or otherwise preserving salmon, and shall transfer such establishment for canning, salting, or otherwise preserving salmon, by sale or in any other manner; then the licenses to such traps as serve that particular establishment may be transferred therewith.

No fish trap shall be erected or maintained with a lead of greater length than 4,000 feet, as measured along the web from the outer end to the entrance or tunnel of the pot; and where a trap is constructed with more than a single lead, then the total length of all leads shall not exceed 4,000 feet, each lead being measured as in the case of a single lead. No lead or pound shall be constructed with a bent or recurved end or "jigger" directed or turned toward the opening of the trap.

Dr. EVERMANN. Section 4 simply provides for a system of giving exclusive privilege to fish certain sites.

The CHAIRMAN. It requires a license to be secured?

Dr. EVERMANN. Yes, sir; and it provides that anyone who fished a certain site last year would have priority of right in that site this year;

and where two or more traps are placed closer than the present law would allow, the company that was in there first would have priority of claim.

The CHAIRMAN. What are the general reasons for the provisions in that section?

Dr. EVERMANN. The principal purpose, as I see it, is to give the cannery greater security in their fishing sites. Otherwise it does not make very much difference. It prevents difficulties arising between them. Now, I know in years past of certain difficulties that arose in various places as to who would occupy a certain fishing site in a given season, which depends upon who gets there first. This would prevent any scramble of this kind, and I imagine all the provisions of this section would be very satisfactory to all concerned.

The CHAIRMAN. Are you prepared to say anything about that, Mr. Dorr?

Mr. DORR. To the general principles of the section we make no objection. As I announced yesterday at adjournment time, we have concluded to make no objection to the \$100 license fee, but I think this section as drawn is not well worded, especially with reference to the system of marking the locations. We have drawn a substitute section for that, which I would like to submit at the proper time.

The CHAIRMAN. You may do so; that will be all right.

Mr. DORR. It is intended to make it more specific and certain. I do not think, if I may be permitted to criticize your language, Doctor, or whoever wrote that section, that you have a specific way of marking the location.

Dr. EVERMANN. That may very well be, and we shall be glad to have any suggestions you can offer that will make this more intelligible and more easily understood.

Mr. DORR. We have simply taken your idea of licensing definite trap sites and remodeled it into what we will submit to the committee as a substitute section.

Dr. EVERMANN. Beginning with line 18 on page 7 is a paragraph which is an addition to the old law, I believe. The purpose of that is to prevent the placing of what are commonly spoken of as fake traps. That is, it has in some cases been the practice, when a company has a trap in a certain site, for that company to drive some piling either above or below that trap on one side or the other, not for the purpose of putting in a trap there, but for the purpose of preventing anybody else from putting in a trap there, and this provision would prevent that practice. Fake traps or any trap established must be established for the purpose of catching fish, not for the purpose of preventing somebody else from locating a trap on that site. That would be fair, I should think, to everybody.

On page 8 the paragraph beginning in line 9 simply provides for the forfeiture of the license in case the law is not complied with. The paragraph beginning on line 13 is of a somewhat similar character, and prevents the transfer of the license unless the licensee is transferring his cannery or his salting plant, or other salmon-preserving establishment.

Mr. DORR. As to those two paragraphs we have an objection to make. First as to the one commencing on line 9, page 8. It provides for an absolute forfeiture of the franchise in case of conviction. We think that is too severe. We are not only subject to a fine of \$1,000

and three months imprisonment at the discretion of the court, and if the trap should be so built as to violate section 3 of the bill the owner is liable to further penalties of \$250 per day for each day's violation. Now, in addition to all these penalties, without any chance of appeal, our franchise is subject to forfeiture. We do not think that is fair.

Dr. EVERMANN. The effect of this would be to prevent the violation of the law. The way to retain possession of a trap site is to play the game fair and the traps site would not be forfeited.

The CHAIRMAN. You think that provision would be the most effective means of having the law complied with.

Dr. EVERMANN. It seemed to us that it would be quite effective in that regard.

Mr. DORR. Well, I would like to suggest to the committee that every person that is convicted is not guilty, and he certainly ought to have a right of appeal before losing his property rights.

The CHAIRMAN. Well, I think, Mr. Dorr, that I understand your position with reference to that, and you can take your objections up further when you address the committee. I think that will probably be better than to go into it fully here.

Mr. DORR. Now, as to the second paragraph referred to last by Dr. Evermann, namely, the one commencing on line 13, page 8. We can see no reason for restricting the selling of trap locations under any circumstances. Many of these trap sites are occupied by individuals who have no canneries. They go out and take up a trap site; it becomes their property; they sell their fish, and they are, under this bill, absolutely prohibited from selling or alienating or mortgaging that trap site. If they die, it is lost to the heirs, and under the scheme, as outlined in the bill, it makes the traps an adjunct and a part of the cannery. They can not be segregated; they can not be exchanged with neighbors who want to transfer one or another, for instance, and we do not think it is right in principle that this species of property should be prohibited from sale, any more than it would be right to prohibit a farmer from selling a piece of his farm machinery without selling the whole farm.

The CHAIRMAN. Let me ask Dr. Evermann there: Doctor, under section 4 is it the idea of the bureau that the Secretary of Commerce and Labor shall grant a license only to a certain person who is engaged in canning, salting, or otherwise preserving salmon?

Dr. EVERMANN. No, sir.

The CHAIRMAN. If it is not the intention to limit the granting of a license to such people, why should the transfer be limited to such person?

Dr. EVERMANN. This was the bureau's idea: That when a license is given for maintaining a trap on a certain site for a certain season, that we could hardly conceive of any proper motive for the transfer of the site within that season which could arise, as the license was given for a single season.

Of course, it may be sold for the next season, as far as that is concerned, and the purpose of this provision was to prevent any fictitious transfer of a site in order to prevent incurring the penalty for a violation of the law regulating trap fishing. How strong the probability might be I am not prepared to say. I do not know whether it is great enough to justify a section of that kind; but that was the thought we had in mind.

Senator OVERMAN. Do you know of any cases of that kind which have occurred?

Dr. EVERMANN. I do not; no, sir.

The CHAIRMAN. Have you a provision now for granting licenses for fish traps?

Dr. EVERMANN. No, sir.

The CHAIRMAN. That is what I thought; so that nothing of that kind has ever come up?

Dr. EVERMANN. No, sir.

The CHAIRMAN. Is this based on any observations you have had in other places where fish traps are licensed?

Dr. EVERMANN. It is based more largely on an estimate of human nature, of what would probably arise if the opportunity afforded. If it were possible to avoid punishment for a crime by doing something which was not in itself illegal, that might be done.

The CHAIRMAN. If a licensee has violated the law, how would the transfer of his license to anyone else relieve him from the legal penalty prescribed, aside from the cancellation of the license?

Dr. EVERMANN. It would be necessary to show that he really owned the trap.

The CHAIRMAN. At the time of the violation, you mean?

Dr. EVERMANN. Yes.

The CHAIRMAN. There is a penalty provided aside from the forfeiture. Of course if it is transferred the forfeiture would not affect the party at fault, but it would still leave the other penalty to be inflicted.

Dr. EVERMANN. I am not sure myself that there is any great necessity for that section, but I stated what seemed to us to be the purpose.

The CHAIRMAN. It is well to consider all the phases of this question.

Judge Wickersham, if you desire to ask any questions at any time I hope you will be perfectly free to do so.

The next paragraph limits a lead to a length not greater than 4,000 feet. What change is that over the present law?

Dr. EVERMANN. There is no limit now and it was thought that there ought to be a limit placed.

The CHAIRMAN. Why?

Dr. EVERMANN. If it is legal to have a lead more than 4,000 feet——

The CHAIRMAN. Probably you had better describe what is meant by a lead.

Dr. EVERMANN. A lead or leader is of this character——

The CHAIRMAN. Describe it now, Doctor, so that the stenographer can get it into the record as much as possible.

Dr. EVERMANN. Placed in the water some distance from the shore is the trap proper, which may be regarded as a more or less rectangular structure. Between that trap proper and the shore opposite, webbing is placed upon piling.

The CHAIRMAN. Connecting with the trap?

Dr. EVERMANN. Yes, sir; connecting with the trap, and extending practically to the shore, so that if the shore is here to my left and the trap is here to my right, the lead will run in this direction [indicating].

The CHAIRMAN. That is to the left?

Dr. EVERMANN. Yes, sir; to the left, and if fish are traveling in that direction, when they come to the lead, of course, they must turn away from the shore and necessarily toward the trap and thus are led into the trap.

The CHAIRMAN. So that that row of piling connected with the webbing and extending to the shore is what is called the lead?

Dr. EVERMANN. Yes, sir; and it seems to us that the fish should have some chance. A lead three or four thousand feet long is pretty nearly a mile. That will intercept a pretty well spread out school of fish. In some places, I believe in Chignik Bay, the lead is somewhat longer—apparently longer than it should be.

The CHAIRMAN. Are these traps usually more than 4,000 feet—that is the main part of the traps—away from the shore?

Dr. EVERMANN. I think usually they are not to exceed 4,000 feet. They are usually less than that, but there are a few more than 4,000 feet.

The CHAIRMAN. This 4,000-foot limit, then, would not necessarily leave any leeway between the lead and the shore line for the fish to get by?

Dr. EVERMANN. They never aim to leave any space between the shore and the trap for the fish to get by. That is fenced. So the fish that get by are those which when led down to the trap fail to go into the trap and circle around, or those which in traveling do not strike the lead but travel in the water beyond the limits of the trap. Those are the only ways that the fish may escape.

The CHAIRMAN. So that the only purpose of this limitation is to require the trap to be placed so nearly toward the shore that some of the fish may miss it?

Dr. EVERMANN. That is it, precisely.

The CHAIRMAN. And not to prevent the connecting of the lead with the shore?

Dr. EVERMANN. No, sir.

Mr. MOSER. Will you permit me to differ somewhat with the doctor in connection with the lead. The lead is not always connected with the shore. There are a great many traps where the lead is not joined to the shore.

The CHAIRMAN. I did not understand the doctor to say that the lead was connected with the shore.

Mr. MOSER. I understood him to say that it was.

Dr. EVERMANN. No; I did not say that.

The CHAIRMAN. It is well, however, to have it explained.

Mr. DORR. Some of them are out in deep water quite a distance from the shore.

Dr. EVERMANN. Of course we can assume that it will lead to the shore if the trap foreman thinks it is necessary to lead to the shore in order to catch the fish. If he thinks any considerable number are getting through between the end of the lead and the shore, the shore end of the lead will go nearer to the shore.

The CHAIRMAN. Under the law now if he thinks it necessary to extend to the shore he can do so?

Dr. EVERMANN. Under the proposed bill he can put it close to the shore, or up to the shore; but he must not cover more than 4,000 feet with the lead.

Mr. DORR. We think that some limitation should be placed on the length of the lead, and agree fully with Dr. Evermann in that regard.

We also agree with him that the 4,000-foot limitation is reasonable, so there is no objection to that.

The CHAIRMAN. There is no controversy concerning that, then. Well, then, the next feature of that section is the jigger. Explain what that is.

Dr. EVERMANN. Line 3 on page 9.

The CHAIRMAN. Please explain what the jigger is, Doctor, in order that we may have it in the record.

Dr. EVERMANN. A jigger is a contrivance placed on one angle of the trap.

The CHAIRMAN. That is, the trap proper?

Dr. EVERMANN. Yes, sir; that is the trap proper—for the purpose of increasing the efficiency of that trap.

At one corner of the trap and near the entrance to the trap and near the trap end of the lead it is in some cases the practice to place upon piling a more or less curved section of webbing, the purpose of which is if in the event that fish which are led down toward the trap should fail to enter it, but circle away from the lead, they will come up against this jigger—this curve—which will turn them back toward the lead again and give the lead another chance to drive them into the pot. If they fail the second time the jigger is still there to turn them back a third time and a fourth and a fifth. It starts them to milling.

The CHAIRMAN. Without the jigger they would likely go around the corner of the trap and out, but the jigger turns them back into the course they have just been following?

Dr. EVERMANN. Our position is this: That when the fish have succeeded in avoiding getting into the trap once, then it is fair to them to let them go on. The jigger really turns the fish back, and keeps turning them back, so that they will get caught sooner or later.

The CHAIRMAN. And none of them escapes?

Dr. EVERMANN. I would not say that none of them escapes, but the chances are reduced.

The CHAIRMAN. What has been your observation where jiggers were used as to the escape of the fish?

Dr. EVERMANN. I believe that one trap owner stated that if the jigger were removed it would decrease the efficiency of his trap 30 per cent. So, then, the jigger increases the efficiency of the trap in the neighborhood of 30 per cent.

The CHAIRMAN. What necessity do you think exists to do away with that feature of the trap?

Dr. EVERMANN. A trap with a jigger becomes virtually a barricade and gives the fish little or no chance at all.

The CHAIRMAN. Is there anything else you care to submit on that?

Dr. EVERMANN. That finishes section 4.

Mr. DORR. On the jigger question I wish to be understood as being at all times, with all the force that we have, objecting to the abolishment of the jigger. And in a general way I wish to state that the jigger on a trap is equivalent to the barb on a fishhook. If you eliminate the barb on a fishhook, you might still catch some fish, but the jigger on the trap is analogous to the barb on a hook. It makes the trap effective, and our argument is that traps should be limited in length and ample spaces should be provided laterally and endwise

adjoining them, so as to make openings for the fish, but when a trap is built we ought to have the right to make it effective.

The CHAIRMAN. You want to go into that at some length, Mr. Dorr?

Mr. DORR. Yes, sir.

The CHAIRMAN. I think probably then we had better let Dr. Evermann go on with reference to the other features of the bill.

Mr. DORR. I do not know that Dr. Evermann will be here all the time and I am interrupting perhaps more than I should in order that he may know what provisions of the bill we are opposed to.

Dr. EVERMANN. Mr. Chairman, in connection with what Mr. Dorr has just said, it seems to me that the funnel or tunnel in the trap is more analogous to the barb on a hook than the jigger.

The CHAIRMAN. Please explain that, Doctor?

Dr. EVERMANN. In catching a fish with a hook the barb does not begin to function or to operate until you have caught the fish. It simply enables you to keep him caught. Now, the salmon which has not yet entered the trap is not yet caught and the fish which are turned back toward the trap again by the jigger have not yet been caught. Therefore, the jigger is not analogous to the barb on a hook, but when a fish gets into the trap once, in getting in he goes through a so-called funnel, the inner end of which is smaller than the outer end so that when he gets in once that funnel tends to keep him from getting out, just as the barb on a hook tends to keep the fish from getting off the hook.

The CHAIRMAN. That is, in trying to get out, unless he strikes the small opening, he is caught by the webbing.

Now then, section 5.

Section 5 is as follows:

SEC. 5. That it shall be unlawful to cast, lay, set, place, drive, or construct any drift net, seine, set net, trap, or any other fishing appliance for any purpose except for purposes of fish culture or authorized scientific investigation across or above the tide waters of any creek, stream, river, lagoon, estuary, or the entrance or immediate approaches thereto, for a distance greater than one-third the width of such creek, stream, river, lagoon, estuary, or entrance or immediate approaches thereto. It shall be unlawful to lay or cast any seine or net of any kind within 100 yards of any other seine, net, or other fishing appliance which is being or which has been cast, laid, set, or placed in any of the waters of Alaska, or to place, anchor, drive, or construct any fish trap, stake net, or other fixed fishing appliance within 600 yards laterally or within 100 yards endwise of any other fish trap or fixed fishing appliance.

It shall be unlawful to cast or lay any seine or net of any kind within 100 yards, or to cast or set any purse seine, or to place, anchor, drive, or construct any fish trap, stake net, or other fixed fishing appliance within 600 yards outside the mouth of any salmon stream when the same is less than 500 feet in width.

It shall be unlawful to erect or maintain any stake net of greater length than 500 feet or constructed in any other manner than by stakes driven in substantially a straight line: *Provided*, That the foregoing stipulations of this section shall not be construed to apply to the use by the native Indians of stake nets not over 50 yards in length to take salmon for their own domestic consumption and not for sale.

For the purposes of this act, the width of a creek, stream, river, lagoon, estuary, or the entrance or immediate approaches thereto, shall be determined by measurements at right angles to the thread of the stream of said waters as determined by a line connecting the points midway between the opposite margins or shores at mean high water; and at such places where the margins or shores are broken by branches, or by well-defined bays, or by entering streams, said margins or shores shall be understood to be represented by the straight line connecting the opposite headlands across the mouth of such branch, bay, or stream. Where waters are divided by islands, each channel shall be measured independently and not as a part of the greater body of water.

Dr. EVERMANN. In section 5, which is section 4 of the old bill, the word "red" is stricken out as before.

Senator OVERMAN. Is that the only change?

Dr. EVERMANN. And this additional is put in: "Traps and purse seines within 600 yards of the mouth of any stream," instead of 100 yards as now, and it limits stake nets to a length of 500 feet. They are now unlimited.

It permits Indians to use 50-yard nets for their own domestic purposes without restriction. There is no restriction on that now. It provides definite directions for measuring the waters and intervals between traps, now indefinite and disputed. Those, I believe, are all the provisions of section 5.

The CHAIRMAN. What have you to say as to the necessity of those provisions?

Dr. EVERMANN. As to the first, cutting out the word "red" the same reasons obtain there as in the previous sections.

Increasing the distance in which traps and purse seines may be placed 600 yards from the mouth of the stream is along the same line as before, simply affording greater protection. The stake net is a minor method of fishing for salmon, not very important, but it is of some importance in Bristol Bay, and is of some importance to the natives. We provide for allowing them 50-yard stake nets for catching fish for their own purposes and use. That is all I think of in that section.

Senator BOURNE. Mr. Chairman, I would suggest that we have a committee bill made up for the information of the committee, showing in that bill just what the existing law is, showing in a relative position what changes are proposed by this bill, and also showing what changes are recommended by the department. Then we will have, it seems to me, a much better opportunity of studying the bill and getting the information, and then taking it up section by section, in which various interests are affected, and getting the ideas of the department and of the private interests affected. We will thus be able to determine for ourselves what legislation would be beneficial from a general-welfare standpoint, with the least injury to the private interests. That could be very easily done.

The CHAIRMAN. Yes, I think so. I think we had better have it done. I have a memorandum here showing briefly the effects of this bill as compared with the existing law.

Mr. MOSER. May I ask, in connection with section 5, the opening portion on line 10, where it says "entrance or immediate approaches thereto," What does that relate to? It relates, of course, to one-third the distance between the banks of the estuary or the streams, but now, when you say the "entrance, or immediate approaches thereto," what do you mean? The approaches to an estuary may be very, very wide, and I do not exactly understand why those words should be in there. It may be a straight coast line, and the streams may debouch directly upon the coast line. What I would like to know is what the meaning of that is. I mean, What did the bureau have in mind in putting in those words?

Dr. EVERMANN. The thought the bureau had in mind was to meet a condition of this kind: Where the mouth of the stream does not differ greatly in width from that of the bay or estuary in which it opens. It sometimes happens that while the mouth of the stream

may be regarded as being at a certain point, yet the distance from shore to shore for some little distance below the mouth of the stream is not materially greater and this would cover that narrow region just the same as it would cover the stream, and it should be covered, because it is just as easy to catch fish in water which is, say, 500 feet wide right below the mouth of the stream as it would be to catch fish in a stream 500 feet in width.

Senator BOURNE. Would not the elimination of the words "important approaches" and leaving in the word "entrance" accomplish that result?

Dr. EVERMANN. Well, "entrance" might be interpreted as meaning a certain geographical point.

Senator BOURNE. It is rather indefinite, is it not, and a pretty elastic word?

Mr. DORR. Under this law the Secretary of Commerce and Labor is authorized to determine the mouths of the streams and to mark them. It is left arbitrarily to him to say where the mouth of the stream is and to so mark it, and if we have the distance measured from such markers that ought to be ample without leaving it so vague.

The CHAIRMAN. What section of the bill is that, Mr. Dorr?

Mr. DORR. Section 10.

The CHAIRMAN (reading):

SEC. 10. That for the purposes of this act all measurements of waters referred to herein shall be made at mean high water, and the Secretary of Commerce and Labor is authorized to determine and indicate by suitable markers the mouth of any creek, stream, river, or other waters referred to herein. It shall be unlawful to efface, destroy, remove, or in any manner interfere with any monument, marker, or notice provided for in this act.

Mr. DORR. Now, the law is well settled, that where an executive officer is given that discretion, his marking is beyond question.

The CHAIRMAN. So you think that under that the Secretary could indicate what is meant by the word "entrance" here and that will be sufficient?

Mr. DORR. He can indicate what he determines to be the mouth of the stream, and although he might indicate it differently than some one else would indicate the same point his judgment is final.

The CHAIRMAN. Of course; I do not see that the word "mouth" is used at all in section 5.

Mr. DORR. The word "entrance" is used in several instances; the word "mouth" is also used (page 10, line 1). I take it that these words are synonymous.

The CHAIRMAN. "Entrance" is used, so that I see that under section 10 he could determine what it meant by the term "entrance."

Senator BOURNE. All you have to do is in section 10, line 13, after the word "mouth," insert the words "or entrance."

Mr. DORR. I think the terms are synonymous.

Senator BOURNE. There would not be any trouble in that; but let me ask, in reference to the practicability of that section: Is it suggested or thought by the department that they are going to have every stream in Alaska surveyed and marked out and monuments erected, and so forth?

Dr. EVERMANN. I certainly hope that that condition may be brought about.

Senator BOURNE. How many streams are there?

Dr. EVERMANN. There are a great many.

Senator BOURNE. What would be the cost of carrying that out?

Dr. EVERMANN. The cost would not be great.

Senator BOURNE. It would take some time?

Dr. EVERMANN. We can not do it all in one year or two years, of course; but it will be done from year to year, as the fishing conditions of each stream are determined.

The CHAIRMAN. They are not fishing in all of these streams now, are they?

Dr. EVERMANN. Well, I should say they are fishing in the vast majority of them; that is at the mouths of the vast majority of them.

The CHAIRMAN. Then, if they are fishing off the mouths of most of them now we want them marked.

Dr. EVERMANN. The more rapidly the marks are put in, the better of course it will be; and if the Congress will increase the Alaska personnel, as we hope you may do, we can put them in more rapidly.

Mr. MOSER. May I ask how the bureau expects to determine the mean high water indicated in section 10. It is not a simple matter always to arrive at the mean high water and to mark all these streams. It would take a very long time.

Dr. EVERMANN. As far as the markings are concerned the mean high water would have to be determined.

Mr. MOSER. It says in the bill:

SEC. 10. That for the purposes of this act all measurements of waters referred to herein shall be made at mean high water, and the Secretary of Commerce and Labor is authorized to determine and indicate by suitable markers the mouth of any creek, stream, river, or other waters referred to herein. It shall be unlawful to efface, destroy, remove, or in any manner interfere with any monument, marker, or notice provided for in this act.

So far as the markers are concerned, as stated by Mr. Dorr, in section 10, that is left to the judgment of the Secretary. He may say, for the purpose of this bill, the mouth of this stream is at a certain point. Whether a hydrographic survey of the stream would show that to be the physical mouth or not it does not make any difference.

Senator OVERMAN. It gives an arbitrary discretion to the Secretary of Commerce and Labor.

Mr. DORR. That is a matter that honest minds may differ on; but we unite with the department on that point and want the streams marked. We want to know just where we are at.

The CHAIRMAN. And when the markings are made by the Secretary you are willing to accept them?

Mr. DORR. Certainly.

Senator BOURNE. On what theory is that? Do you think it a better protection to the fish or a minimization of irritation to yourselves?

Mr. EVERMANN. Both of those would result.

Senator BOURNE. I was asking Mr. Dorr.

Mr. DORR. My answer would be the same. Both would result.

Senator BOURNE. Suppose you had a change of administration which would change the markings. You are leaving this to the ipse dixit of one man.

Mr. DORR. I take it that those markings would be permanent. I do not think they will change those marks as administrations change.

The CHAIRMAN. You do not fear arbitrary changes?

Mr. DORR. No, sir; we do not fear that at all.

Mr. MOSER. In this connection I might say that in many parts of Alaska the difference between the high-water mark and the low-water mark is most marked on account of the large rise and fall of the tide, which amounts to 40 feet and over in Cook Inlet, where the shoals make for quite a distance. There you have a high-water mark within narrow banks and the low-water mark at the extremity of a mud flat, the latter quite a distance from the shore, often several miles. Probably for that reason it would be well to have the mouths of the streams determined and marked, so that we may know whether it is a high-water mouth or a low-water mouth.

The CHAIRMAN. Now, we will continue with section 5, in reference to the methods in which the measurement shall be determined.

Mr. DORR. What section is that?

The CHAIRMAN. The latter part of section 5.

Mr. DORR. That relates to the markings in the streams or the measurements in the streams where there are indentations in the coast, does it not, Doctor?

Dr. EVERMANN. Yes, sir; and where the stream debouches into a delta each individual channel is regarded as independent.

The CHAIRMAN. It furnishes a basis for determining the measurements.

Dr. EVERMANN. Now, section 6. Shall we proceed?

The CHAIRMAN. Yes.

Section 6 is as follows:

SEC. 6. That it shall be unlawful to fish for, take, or kill any salmon of any species in any manner or by any means except by hook and line, spear, or gaff in any of the waters of Alaska over which the United States has jurisdiction, except Bering Sea and the waters tributary thereto, from 6 o'clock p. m. of Saturday of each week until 6 o'clock a. m. of the Monday following; or to fish for, or catch, or kill in any manner by any appliances, except by rod, spear, or gaff, any salmon in any stream of less than 100 yards in width in Alaska between the hours of 6 o'clock in the evening and 6 o'clock in the morning of the following day of each and every day of the week. Throughout the weekly close season herein prescribed the gate, mouth, or tunnel of all fish traps shall be closed by hauling said tunnel to one side against the entrance or tunnel wall of the "pot," and 25 feet of the webbing or net of the "heart" of such traps on each side next to the "pot" shall be lowered in such manner as to permit free passage of salmon and other fishes at all stages of the tide. The use of "aprons" during the said weekly close season is prohibited.

Dr. EVERMANN. Section 6, which is section 5 of the old law, places the Sunday close season on Cook Inlet and Copper River as it is in southeast Alaska, but leaves it as it is at the present in Bering Sea, and it removes the provision regarding hook and line close season.

Senator BOURNE. What is the reason for making the distinction between southeast Alaska and Bering Sea, Doctor?

Dr. EVERMANN. Originally and in the present law the Cook Inlet and Bering Sea regions were exempt from the operations of the Sunday close season because of the relatively shorter fishing season to the north.

Senator BOURNE. That is all I wanted to know.

Dr. EVERMANN. This extends the Sunday close season to the Cook Inlet and Copper River region.

Senator OVERMANN. Why do you allow them to fish on Sunday in Bering Sea?

Dr. EVERMANN. The season is so short that the fishing interests claim that the expense of getting there, the length of time to get there,

and the short period within which they must catch the fish justify them in continuous fishing during the short period.

Senator OVERMANN. What is the period?

Dr. EVERMANN. It is about 30 days.

Mr. MOSER. Will you permit me to interpose? I think another point why they should not have a close season in Bering Sea and Cook Inlet would be for the reason that it is a gill-net proposition there. The fishing is almost entirely gill-net fishing. There are some few traps but where gill-net fishing is used in the fisheries a large proportion of the fish escape and pass to the spawning grounds. I think that is another consideration, Doctor.

Dr. EVERMANN. I think that is true.

Senator BOURNE. You have limited seasons and limited methods of catching?

Mr. MOSER. Yes.

Mr. DORR. We do not think that the closed season ought to be extended over Cook Inlet or Prince William Sound for reasons that I will give now or later, as you wish.

The CHAIRMAN. It probably would be well to give those right here, Mr. Dorr.

Mr. DORR. Cook Inlet is a very large body of water with a tide of 36 or 40 feet and it is impossible because of natural conditions to encompass that inlet with fishing gear, and we all know from practical experience that the great mass of the fish go up in spite of anything the fishermen can do to intercept them. There has never been any sign of diminution of fish there, and we think it is absolutely impossible to catch enough fish in Cook Inlet to interfere with the natural replenishment.

The CHAIRMAN. How long has extensive fishing been going on there?

Mr. DORR. For the past 25 years.

Senator BOURNE. And the average catches are as great now as they were since you have had any record?

Mr. DORR. They have actually increased. In Prince William Sound there is but one cannery.

Senator BOURNE. Of course; but your fishing materials have increased in efficiency. Your plants have increased in the interim.

Mr. DORR. That is true.

Senator BOURNE. You have no data by which you can form a deduction as to the relative amount per unit, have you?

Mr. DORR. No, sir. I think there is no evidence showing any change either way.

Senator OVERMAN. Doctor, what is the reason for this exception of Sundays? Is it for the preservation of fish or from a moral standpoint, or both?

Dr. EVERMANN. Both; yes, sir. It is thought desirable to have one day of rest in this region, as elsewhere, if it is possible, and also to give the fish, one day, a chance to get through.

The CHAIRMAN. Is that the primary purpose?

Dr. EVERMANN. With different individuals the weights of those two reasons would weigh differently.

The CHAIRMAN. I am speaking of the attitude of the Bureau of Fisheries?

Dr. EVERMANN. My own view is that to give the fish the chance is the more important object.

Senator BOURNE. It is a conservation policy?

Dr. EVERMANN. Yes, sir.

Senator OVERMAN. The point that Mr. Dorr has made, that there is no diminution there, would apply to that phase of the situation, if it is true. But, as to the moral standpoint at Cook Inlet, is that so, Mr. Dorr?

Mr. DORR. I think it is absolutely certain that there is no diminution of the fish there.

From a moral standpoint I think the canners will agree that it is in the interests of good morals to keep the men at work rather than to give them a day off in Cook Inlet.

Senator OVERMAN. You do not have any churches or Sunday schools?

Mr. DORR. No, sir; they have some saloons up there unfortunately. The district has licensed some saloons there and it makes a bad situation.

Senator OVERMAN. Do they have Sunday laws in regard to drinking in saloons and so on in Alaska?

Mr. DORR. Not that I ever heard of in Alaska.

Senator OVERMAN. How is that?

Mr. WICKERSHAM. We do not make the laws, Senator. You make them.

Senator OVERMAN. You know all about the laws, however.

Mr. WICKERSHAM. If you will give us a legislature up there we will amend that.

Senator OVERMAN. You are here to secure that?

Mr. WICKERSHAM. I am; it is my business.

The CHAIRMAN. What is the length of the fishing season at Cook Inlet?

Mr. DORR. I should say 60 days.

The CHAIRMAN. About double what it is in Bering Sea?

Mr. DORR. Yes, sir.

Mr. MOSER. I was going to say that that is on account of the early fishing for the king salmon, which arrive as soon as the ice is out, if Mr. Door will permit me to interpose. In Cook Inlet all the salmon run abundantly enough to permit fishing at an early date.

The CHAIRMAN. Where did you say that was, Mr. Moser?

Mr. MOSER. In Cook Inlet.

The CHAIRMAN. I was asking for the length of the season. Do you call 60 days a long season?

Mr. MOSER. Yes; 60 days is a long season.

Mr. DORR. As compared with Bristol Bay; not as compared with southeastern Alaska.

The CHAIRMAN. That is what I thought.

Mr. DORR. In Prince William there is but one single cannery, and that covers an immense area. They have to tow their fish 100 miles or more; that is to say, they catch them within a radius of 100 miles from the cannery.

The CHAIRMAN. That is, the fishing grounds cover an area of about 100 miles?

Mr. DORR. They are scattered all over the Copper River delta and all over various sections of Prince William, and it takes so long to go to and come from those fishing grounds, that to take a day out

there would be, I think, a hardship without any corresponding benefit.

The CHAIRMAN. How does it happen that the cannery is located so far away from the fishing grounds?

Mr. DORR. Well, the fish are found there in small quantities at a great many different places; and they have to go from one place to another, and it is so unprofitable now that there is only one cannery in that district.

The CHAIRMAN. How many canneries are there adjacent to Cook Inlet?

Mr. DORR. There are existing now five.

Mr. BOWER. There are only three on the inlet proper now.

Mr. DORR. Do you count Seldovia and Port Graham? There is a new one this year built at Port Graham.

Mr. BOWER. It has not been operated yet.

Mr. DORR. It is being operated this year. There is also one at Seldovia, which is near the mouth of the inlet, and then up the inlet there are three.

Mr. BOWER. There were only three operated last year.

Mr. DORR. I am speaking of present conditions. There is a new one being built this year at Kenai, a new one at Port Graham, and there was one at Kenai and one at Kasilof and one at Seldovia heretofore.

The CHAIRMAN. Do you know how many traps are operated on Cook Inlet and the adjacent waters?

Mr. DORR. There are quite a number. I do not know the number. They are small traps, relatively speaking.

The CHAIRMAN. Is most of the fishing there conducted by nets?

Mr. DORR. Mostly by traps.

Senator OVERMAN. Mr. Dorr, what is the length of the season in this catch of salmon in the different parts of Alaska?

Mr. DORR. It runs from 30 days to six months.

Senator OVERMAN. Thirty days in Bering Sea and six months in southeast Alaska?

Mr. DORR. In stating the fishing season in southeastern Alaska at six months, there is included quite a long period of king-salmon fishing, which has developed in recent years to an important branch of the industry. There king salmon are caught, mostly by independent fishermen, in advance of the canning season and are sold in a fresh condition and shipped in cold storage all over the country. They do not go to the canneries. The canning season proper is about three months in southeastern Alaska.

The CHAIRMAN. Now, then, Doctor, you may proceed to section 7. Section 7 is as follows:

SEC. 7. That the Secretary of Commerce and Labor may, in his discretion, set aside any streams or lakes as preserves for spawning grounds, in which fishing may be limited or entirely prohibited; and when, in his judgment, the results of fishing operations in any stream or off the mouth thereof indicate that the number of salmon taken is larger than the natural production of salmon in such stream, he is authorized to establish close seasons, or to limit or prohibit fishing entirely for one year or more within such stream or within such distance from the mouth thereof, as in his judgment is necessary, so as to permit salmon to increase; and whenever, in the opinion of the Secretary of Commerce and Labor, the number of traps operating in a given district results in the capture of a greater number of salmon, as shown by the annual reports of the fishery, than permits of a sufficient escapement to the spawning grounds to maintain the supply of salmon in that region, he is authorized to limit the number of

fish taken by extending the weekly close season provided in section six: *Provided, however,* That such power shall be exercised only after all persons interested shall be given a hearing, of which due notice must be given by publication; and where the interested parties are known to the department they shall be personally notified by a notice mailed not less than 30 days previous to such hearing. No order made under this section shall be effective before the next calendar year after same is made.

Dr. EVERMANN. The only important feature of section 7 differing from the present law is that it strikes out the last clause of the present law which is section 6 of the present law. That last clause reads:

And provided further, That such limitations and prohibitions shall not apply to those engaged in catching salmon who keep such streams fully stocked with salmon by artificial propagation.

That is a stricken out because of the thought that it would seem to give an exclusive fishing privilege to those who operated private hatcheries.

The CHAIRMAN. Well, has it been so construed and held by the department?

Dr. EVERMANN. I do not know that the question has ever been passed upon by the department.

Senator OVERMAN. Is that your view of it?

Dr. EVERMANN. In practice it works out that way, as I understand it. Capt. Moser can tell better about that.

Mr. MOSER. We have never taken advantage of that clause. We have never fished an hour in the streams where we had hatcheries.

The CHAIRMAN. So you have no objection to having that stricken out?

Mr. MOSER. No; we have no objection to it.

Dr. EVERMANN. I thought there was some fishing at Naha for pinks.

Mr. MOSER. No; this year the stream was filled and choked with salmon, and we did not fish in it at all.

The CHAIRMAN. Well, then we will take up section 8.

Mr. MOSER. Referring back to the other section: There is one other feature in that section, is there not, that is new? It gives the Secretary of Commerce and Labor the power to close not only a stream but the whole district. Commencing at the second line, page 12—

Or to limit or prohibit fishing entirely for one year or more within such stream or within such distance from the mouth thereof, as in his judgment is necessary.

Under that wording the Secretary of Commerce and Labor could put us out of business at any time. He is not only permitted to close the stream but to close the mouth of that stream for an unlimited distance.

Senator BOURNE. What page and line is that?

Mr. MOSER. Page 12, commencing at line 2. The words "as in his judgment is necessary," in line 5.

Dr. EVERMANN. The bureau has suggested that after the word "thereof," line 4, should be inserted "not to exceed 1 nautical mile, as in his judgment is necessary."

Mr. MOSER. The present law is 500 yards.

Dr. EVERMANN. Yes.

The CHAIRMAN. The present law reads this way, Captain:

He is authorized to establish close seasons or to limit or prohibit fishing entirely for one year or more within such stream or within 500 yards of the mouth thereof, so as to permit salmon to increase.

Now, the only change apparently in the bill is that it leaves it discretionary with him as to the distance from the mouth of the stream. That is the point to which you were calling attention.

Mr. MOSER. Yes, sir; that is the point:

Within such distance * * * as in his judgment is necessary.

His judgment may extend to a whole district. Take, for instance, Nushagak Bay and the Wood River. He would have the power of closing the whole of Nushagak Bay.

Mr. DORR. Or to close the whole of Bering Sea.

Senator BOURNE. What do you say, Captain, to the department's suggested amendment to insert "not to exceed 1 nautical mile" at the end of line 4, page 12?

Mr. MOSER. I do not think it is necessary. I think the present law is quite sufficient.

The CHAIRMAN. Would you have any special objection, however, to increasing the 500 yards to a nautical mile?

Mr. MOSER. Yes; a very serious objection, and I think I can explain to the committee fully the cases of other rivers that have never been closed. Take the Columbia River or the Sacramento River that have never been closed. The Columbia River last year produced as many fish as it ever did. The Sacramento River—I have a report from the commissioners here—has increased largely.

The CHAIRMAN. I do not know about the Sacramento, but we are getting a good many hatcheries established to keep up the supply on the Columbia River, and we do not seem to be proceeding very rapidly with them in Alaska. We are glad to have our attention called to this matter. You can go ahead with that subject when you make your statement.

Senator BOURNE. Before we pass from this subject, and while we are on this particular point, I would like to ask the Doctor his reason for increasing that distance from 500 yards to a nautical mile?

Dr. EVERMANN. Just the same reason for recommending increases elsewhere—to afford somewhat greater protection to the fish.

Senator BOURNE. Have you found that the present provision does not give you the protection you desire?

Dr. EVERMANN. We do not think it does.

Senator BOURNE. Is that based on opinion or is it a matter of demonstration?

Dr. EVERMANN. It is a matter of judgment based on the condition of the various fisheries and an analysis of the catch of fish in each particular region.

Senator BOURNE. Do you draw your deduction from the depreciation of the catch there, and the consequent necessity to increase the protection? Is that it?

Dr. EVERMANN. Yes, sir. It is necessary to consider not only whether the total catch in a region did not decrease or increase, but it is necessary to consider whether there are increases or decreases in the component parts of that catch. One species may decrease, but that loss may be more than made up by an increased catch of another species. Formerly, the red salmon was the only fish sought after by the packers, but now they are going more and more for the other species—species neglected in the beginning—and the result is that the catch may be as great or even greater than before.

Senator BOURNE. But do not they pack any salmon they catch, no matter what species it may be?

Dr. EVERMANN. Yes, sir.

Senator BOURNE. They pack them all?

Dr. EVERMANN. Yes, sir.

Senator BOURNE. So I do not see why you take different species as your basis for calculation and deduction. I should think you would take the whole salmon catch by itself.

Dr. EVERMANN. It seems to me it would be fair and necessary to examine the catch of red salmon year by year all the way through and see what has been the effect of this fishery upon the abundance of red salmon and what has been its effect upon the abundance of pink salmon and upon king salmon and upon cohoes, and so on.

Senator BOURNE. Then your position is predicated on the assumption that each species has a regular itinerary and every year follows the same road?

Dr. EVERMANN. No, sir; I would not say that.

Senator BOURNE. Well, it must be, I think, for your deductions on species to be of any value.

Dr. EVERMANN. The fish caught in any region are caught in several places in that region and on several different dates, but we take the aggregate catch for the entire species for each season, for 1907, 1908, 1909, and so on, and have an examination of the catch of each species—of a particular species for that series of years. If it does not keep up then we try to find out what that means.

Senator BOURNE. Then you would add more fry of that species from your hatchery. I can see that, but I can not see on what you make your segregation into species for the deductions here that you stated as being your premise for asking for this new protection. I should think the whole salmon catch would be the only data that would be of value in that particular connection.

Dr. EVERMANN. You may put it this way: Suppose that one says to you, "The fishery in the Cook Inlet region is not falling off because the catch of salmon in 1910 was even greater than it was in 1900." Now that may be, but the large catch of 1910 might result from the utilization of fish which they did not utilize and did not try to catch but avoided catching if they could, in 1900.

Senator BOURNE. But the catch of 1910, as packed, included all edible fish that had a food value?

Dr. EVERMANN. Yes; but in 1900 some had so little value that they were cast aside and they avoided catching them.

Mr. DORR. Mr. Chairman, I have an analysis of the pack in Alaska and all the other districts where salmon were packed on the Pacific coast in the last 10 years.

The CHAIRMAN. Showing the different kinds.

Mr. DORR. Showing the different varieties and the different districts. I would like to submit that to the committee and call attention at this point to the fact that the red salmon in Alaska have run very uniform. For 10 years the pack of 1911 is practically the average of the whole 10 years. There is variation, of course, in different years of a few thousand cases one way or the other.

Senator BOURNE. You mean red—sockeyes and bluebacks?

Mr. DORR. They are classed together, Senator.

Senator BOURNE. I know they are all of that class.

Mr. DORR. That class the doctor speaks of particularly.

Mr. WICKERSHAM. How many more canneries are there now packing salmon than there were in 1900?

Mr. DORR. Well, I do not think there were any more canneries last year than there were in 1901. The canneries have fluctuated a good deal more than the fish. In 1901, for instance, the Alaska packers operated 20 canneries in Alaska. In 1911, if I remember rightly, they operated 14. Other companies have come in and others have gone out. The Alaska Packers Association's relative proportion of the pack has been perhaps less, but the aggregate of the whole pack is about the same, and I think if an estimate could be made, if the statistics could be obtained, it would be found that the total number of canneries for 1911 was substantially the same as in 1901.

Mr. MOSER. In 1901 there were 55 canneries operated in Alaska; in 1906, 47. There is a falling off down to 42 in 1905.

Mr. DORR. In 1902 there were 60, as I remember the figures.

Mr. MOSER. Sixty-two in 1911.

The CHAIRMAN. Can you say how many new canneries are going to operate this year?

Mr. MOSER. I do not think anyone can do that, Senator Jones. Many have been projected, but I do not believe that they all will materialize.

The CHAIRMAN. Suppose half of them materialize, about how many new canneries will be inaugurated?

Mr. MOSER. I should say, maybe, anywhere from 6 to 10. I would like to say, however, in this connection, that additional canneries do not mean an increase in pack in proportion to those canneries. Take a cannery that is in a certain locality and which we will say is putting up from the streams near that cannery 50,000 cases. Put two canneries in that section, and they will not both make 50,000 cases, because they are drawing from the same source. They will make a slight increase. I should say that each may pack 30,000 cases, a total of 60,000, which would come near to being the fact.

The CHAIRMAN. Doctor, have you any facts in the possession of the bureau showing that the supply of fish in any stream in Alaska has been diminished by fishing and canning?

Dr. EVERMANN. Yes, sir; I think we have those facts.

The CHAIRMAN. Can you give them to the committee?

Dr. EVERMANN. I think so. We will try to get them out.

This is a phase of the question that should be considered in this connection: Canneries have been established in Alaska from time to time and operated in various places for one or more years and abandoned and new canneries established in other places.

The CHAIRMAN. By the same people?

Dr. EVERMANN. Frequently by the same people; yes.

Presumably that shifting of cannery sites is correlated with the fishing out of certain regions. That is, regions which at one time were good regions and which supported canneries sooner or later became sufficiently nonproductive that it was advisable to change the location of the cannery.

It is fair to say, however, that it has happened that the original location of a cannery proved, after experience, to have been a poor location, and the change was made because of an error in judgment in the beginning; but doubtless there are many cases where the change

has been made from one region to another because of the fact that the region in which the cannery was first operated successfully and profitably failed to continue to be such.

The CHAIRMAN. Have you any particular instance of that kind that you can cite to us?

Dr. EVERMANN. I think I can give you figures of that kind.

The CHAIRMAN. We would like to have those facts showing the necessity of extending the authority of the Secretary for the purpose of protecting the supply of salmon.

Senator BOURNE. Is not there another factor, Doctor? Does not that change in the run of salmon follow changed conditions in their feed? Do they always have the same feeding ground regardless of whether there is feed there or not and is there always feed there if there were no canneries or no fishing done?

Dr. EVERMANN. So far as we know there are no changes in the abundance of food in regions by cycles or years. The presence of food in a region—its abundance—will vary by a month within the year, but from year to year, so far as we know, it is essentially the same, and I do not know of any change that has taken place in the run of a school of salmon from one year to another year because of the change in the abundance of food.

Senator BOURNE. You always have the same spawning ground, if not interrupted or interfered with.

Dr. EVERMANN. So far as we know the spawning grounds which were in existence when first discovered continue to be spawning grounds of greater or less importance, depending upon whether or not the fish of that region have been fished out.

Senator BOURNE. Have you any data to show the distance that salmon travel in migration?

Dr. EVERMANN. Yes, sir; for spawning purposes we know they go up the Columbia River as far as the Sawtooth Mountains in Idaho, a distance of 2,000 miles, and they go up the Yukon River an equally great distance; but the red salmon of Alaska, as a rule, do not go nearly so far. They go only to the lakes which are the headwaters of the short streams in that region and then spawn principally in the small tributaries of those lakes.

The CHAIRMAN. They go as far as they can, however.

Dr. EVERMANN. Yes, sir; they go as far as they can.

Senator BOURNE. The distance traveled depends upon local conditions and not upon any habits of the fish themselves.

Dr. EVERMANN. The habit is, I suppose, the result of the operation of local conditions.

Mr. MOSER. Mr. Chairman, will you permit me to say in connection with the number of canneries operated in Alaska that the company I represent has owned 44 canneries in Alaska? We are operating to-day 14. I am well acquainted with all of the sites; I have been to all of them, and I think I can say without hesitation that it does not occur to my mind now that we abandoned one of our canneries in a single instance due to the stream being overfished—the home stream.

It has been entirely due, so far as my recollection goes now, to the fact that the canneries were badly placed. The first canneries in Alaska were started in 1878. Two canneries were then located in southeast Alaska. One has been operated every year since then to date, and the other one, after operating two years, was removed to

Cook Inlet because the location was bad. That is true, so far as my knowledge goes, as to all the canneries.

The CHAIRMAN. What is the capacity of your Cook Inlet cannery now, as compared with the 40 that you operated?

Mr. MOSER. I should say that it had nearly the same capacity. At the time when the first canneries were established there were no real surveys of the waters of Alaska. The canneries were located simply by local knowledge of some individual and built near a salmon stream, which later was found did not produce sufficient salmon to operate that cannery. By exploring the country better locations were found.

The CHAIRMAN. What is the longest period that you have operated any one cannery at any one particular point?

Mr. MOSER. We have in Bering Sea one cannery which has been operated since 1884, and one on Cook Inlet that has been operated since 1882.

The CHAIRMAN. On what stream is that cannery situated?

Mr. MOSER. The former is on Nushagak Bay, and the later at Kasilof.

The CHAIRMAN. Have you a cannery where you get most of your supply from one stream adjacent to it?

Mr. MOSER. Yes; we have one cannery at Karluk, which gets the bulk of its fish from one stream.

The CHAIRMAN. How long has that been located there?

Mr. MOSER. That cannery was located in 1882.

The CHAIRMAN. And you have been getting your fish from that stream since that time?

Mr. MOSER. We have been getting our fish from that locality since that time.

The CHAIRMAN. What effect does that appear to have on the run of fish in that stream?

Mr. MOSER. We have not been taking as many fish in the last few years as heretofore.

The CHAIRMAN. Do you know why?

Mr. MOSER. The runs do not seem to materialize. It is the stream on which we have our hatchery, the Karluk stream. However, the fish run in cycles. You may have a light year.

The CHAIRMAN. How many cycles have you had on that stream since you have been located there?

Mr. MOSER. The company that I represent has had that location since 1893, and our packs were probably equal to the outfit until three or four years ago. I have not the data exactly in mind.

The CHAIRMAN. Were there years before that when the run was short?

Mr. MOSER. Oh, yes.

The CHAIRMAN. Did those short years come at regular intervals?

Mr. MOSER. Not at regular intervals as is the case on Puget Sound. On Puget Sound they come in four-year cycles.

The CHAIRMAN. Is that true of the sockeye salmon?

Mr. MOSER. Yes.

The CHAIRMAN. On this stream you have had a continued slack supply of salmon for three or four years?

Mr. MOSER. We have had a slack supply for several years, but we feel quite sure—we feel certain that the run will return; we sent up sufficient men and sufficient outfit for a full catch this year.

The CHAIRMAN. How many years now has this slack run continued?

Mr. MOSER. For three or four years.

The CHAIRMAN. Had you had any similar period of slack runs since you located there?

Mr. MOSER. Not to my recollection.

The CHAIRMAN. For a similar length of time?

Mr. MOSER. No; not such a long period; but an adjacent stream, a stream within 90 miles, has been increased very materially. On a stream within 90 miles of us, that formerly gave us probably from the combined fisheries there 50,000 cases, there has been no trouble in taking in the last few years as high as 140,000 cases.

The CHAIRMAN. You have increased your fishing on that stream?

Mr. MOSER. Yes.

The CHAIRMAN. And the supply of fish has been increased?

Mr. MOSER. Yes, sir; the supply of fish has been increased.

The CHAIRMAN. Is it your judgment that the supply of this larger stream has probably gone over to that other stream?

Mr. MOSER. We believe so. We believe some of our fish have gone to that stream.

The CHAIRMAN. Have you a hatchery on either of those streams?

Mr. MOSER. We have a hatchery on the first stream I speak of, on Karluk River.

The CHAIRMAN. How long has that hatchery been operated?

Mr. MOSER. That hatchery has been operated since 1896.

The CHAIRMAN. Have you been turning loose in the stream fry during the last five or six years?

Mr. MOSER. Yes. We have been increasing the size of the hatchery and for the last six or eight years we have been liberating there somewhere in the neighborhood of 40,000,000 fry a year.

The CHAIRMAN. Do you take any steps to ascertain whether or not the fry that you liberate come back to that stream?

Mr. MOSER. That is a very difficult matter. We have removed some of the fins of the fry at different places, but so many people have done the same thing that we are unable to tell whether they are our fry or someone else's fry. The only accurate observations that have been made upon the return of the salmon were made by one of the fishery experts, Mr. Chamberlain, who marked at our Loring hatchery in 1903 about 1,600 fry and marked them in such a way that we were able to tell them when they returned. Of that number quite a large proportion returned that we know of.

Senator BOURNE. How did he mark them?

Mr. MOSER. They were marked by removing the ventral fins. The usual marking that has been conducted in a great many hatcheries was to remove the fleshy fin on the back, but on this occasion the ventrals were removed. I have not the data here to show how many were returned, but we know that quite a large proportion returned to the Government hatchery at Yes Bay and quite a few at our own hatchery at Naha, and we have even had returns from the same fish at our hatchery at Karluk, a distance of about 1,000 miles.

The CHAIRMAN. Do not you think the marking of fry is a good subject for regulation?

Mr. MOSER. The Fisheries Bureau issued a bulletin some years ago requesting private hatcheries not to mark their fish.

The CHAIRMAN. Has that request been complied with?

Mr. MOSER. We have never marked any since.

Senator BOURNE. What is the length of time for the return of the fish after marking?

Mr. MOSER. The eggs of the fish that were marked at our hatchery were taken in the summer and fall of 1902. The fry were hatched during that winter. Those fry were marked in August, 1903. The first returns came in 1906. Then they followed in 1907, 1908, and 1909. We had them during all those different years. That caused us to adopt the idea at least that the bulk of the fish probably returned in four years, but that they did not all mature at the same time. Am I right, Doctor?

Dr. EVERMANN. Yes, sir.

The CHAIRMAN. Why could we not have the private hatcheries mark their fish in a certain way?

Mr. MOSER. You may fancy, Senator, it is a very difficult matter to mark the fish properly. You have a little fingerling not more than an inch and a half long, and you take that fish out of the water, and to remove the ventral fin or the fleshy fin is a rather difficult matter to do well.

The CHAIRMAN. I understand, but why could not the Government have its way of marking the fish and the private hatcheries their way of marking the fish?

Mr. MOSER. An attempt has been made to mark fish by attaching a metal ring of some kind, but what success has been attained with that method I do not know, except that I do know that in California, in Monterey Bay, they did apply tags. Dr. Gilbert, of Stanford University, did apply tags to the steelheads and numbered them to find out what their movements were, and obtained results of great interest.

The CHAIRMAN. It appears to me that if there is any way of marking so you can ascertain the movements and habits of this fish liberated from private hatcheries, doing business on a large scale—larger than the Government—we would get probably better results by permitting them to mark the fish, rather than to prohibit them from doing so.

Mr. MOSER. Full results are difficult to obtain for this reason: The only place where marked fish would be noticed is in the hatcheries. The fish that are taken into the canneries, that go into the general fish bin and through the machines, no one notices whether they have fins or no fins, and it is only at the hatchery where each fish is handled in spawning that their fins are noticed, and it can be told whether they have been marked or not.

Dr. EVERMANN. I may say that the difficulty of developing a satisfactory system of marking is almost insurmountable. Various methods have been tried and none has been found yet entirely satisfactory. To have a satisfactory method of branding or marking would require an individual mark for each individual fish, so that we would know that fish. If it was numbered 1, we would have a record which would show when number 1 was placed upon a fish and we would know where that particular fish came from. But if you put the same mark upon a hundred fish or a thousand fish you are not able to follow the individual.

Second, to place a permanent mark—individual mark—upon a fish that will not injure the fish, is difficult. As Capt. Moser has said, the marking ordinarily has to be done with very small fish and very delicate little fish, and the mere handling of such fish is apt to injure it.

That is to say, they may die in the handling, keeping them out of water for just the brief period of time necessary to mark them. Then, in addition to that stress, the additional stress resulting from the removal of the ventral fins or a part of the ventral fins or the dorsal fin, or a part of it, is sometimes more than the fish can stand. Then, as Capt. Moser has said, after the marking has been successfully applied and the fish survives, when it comes back, if it comes to a cannery, the chances are rather remote that the mark will be discovered. The cannery people are pretty busy with their work and they are not looking for fish without ventral fins. It is only when the fish is utilized in the spawn-taking operations at the hatcheries that they are likely to be observed. But the importance of developing a system of permanent marking can not be overestimated. It is very great.

Senator BOURNE. And yet, in your judgment, it is impracticable?

Dr EVERMANN. So far no entirely practical method has been hit upon.

The CHAIRMAN. This brings us to section 8. It is now necessary for us to adjourn, and we will meet Monday morning at 10 o'clock.

Thereupon, at 11.45 o'clock a. m., the subcommittee adjourned until Monday, May 13, 1912, at 10 o'clock a. m.

MONDAY, MAY 13, 1912.

**SUBCOMMITTEE ON FISHERIES,
UNITED STATES SENATE,
*Senate Office Building, Washington, D. C.***

The subcommittee met at 10 a. m.

Present: Senators Jones (chairman), Bourne, and Overman.

Also appeared: Senator George E. Chamberlain, of Oregon, Hon. James Wickersham, Delegate in Congress from Alaska, Dr. Barton W. Evermann, Chief Division of Alaskan Fisheries, Bureau of Fisheries, and Mr. Ward T. Bower, assistant agent, Alaskan salmon fisheries. Also: John Sidney Webb, Aldis B. Browne, Charles W. Dorr, J. F. Moser, and George A. Warren.

STATEMENT OF DR. BARTON W. EVERMANN—Resumed.

The CHAIRMAN. We are just redy to start on section 8. Before we do that, however, I want to ask you with reference to the latter part of section 6:

The use of "aprons" during the said weekly close season is prohibited.

What are aprons?

Dr. EVERMANN. That is an additional webbing that is put across the entrance to the trap, which would be more or less effective in preventing fish from getting in or out.

The CHAIRMAN. Does it protect the opening through which the fish enter the trap?

Dr. EVERMANN. As I understand it, yes. I may say, Senator, I never examined that critically to see just how an apron is operated.

The CHAIRMAN. Capt. Moser, can you tell the committee how an apron operates?

Mr. MOSER. It is dropped across the mouth of the tunnel. There has been a great deal said about traps and I think I can show you a blue print which will give you a good idea of what a trap is and how it works.

The CHAIRMAN. Please explain it, Captain, as fully as you can so that one reading the record may be able to get some idea of it.

Mr. MOSER. The apron, as the Doctor has explained, is a piece of webbing which is dropped across the mouth of the tunnel and closes the tunnel and prevents the fish from entering the pot. There are two portions of the trap, the pot and the spiller, in which the fish are taken. The fish enter the pot through a tunnel which is arranged very much like these rat traps that are narrow at one end and wide at the other. Then from the pot there is another opening of a similar kind that goes into the spiller. After the fish have entered the pot they lead into the spiller. If the arpon is dropped across the mouth of the tunnel it prevents them from going into the pot.

The CHAIRMAN. I think that explains it.

Mr. DORR. I think what the drafter of this bill meant to say was that aprons should be prohibited as an exclusive method; that is, in lieu of the other method. I do not see any object, Doctor, in prohibiting aprons if they were to use them in connection with the other means of closing the traps.

Mr. BOWER. May I say a word in connection with aprons?

The CHAIRMAN. Yes.

Mr. BOWER. One of the reasons for this feature of the proposed bill is the difficulty of determining if an apron is used whether a trap is fishing during the weekly close season. When an apron is used, it is shoved down in such a manner that it is rather difficult for anyone inspecting the trap to determine whether or not it is closed, whereas if the webbing is lifted in the manner heretofore commonly practiced it is very easy to determine whether or not the trap is fishing.

The CHAIRMAN. Senator Chamberlain is here and wishes to present a matter, and as he has another appointment this morning, the committee will now hear him briefly.

STATEMENT OF HON. GEORGE E. CHAMBERLAIN, SENATOR FROM OREGON.

Senator CHAMBERLAIN. Mr. Chairman and gentlemen of the committee, quite a number of my constituents and friends in Oregon are vitally interested in this bill and have had more or less correspondence with me, and I have kept in touch with them, so as to advise them when these hearings were to be had so that they might come, by permission of the committee, in person or by representative, to explain their position. Among others that I have been corresponding with are the Alaska-Portland Packers' Association, the Columbia River Packers' Association, the Alaska Fishermen's Packing Co., the Thinklet Packing Co., and the Alaska Oil & Guano Co., all of them interested in one way or the other in the provisions of the pending bill.

I have just received a letter from the Columbia River Packers' Association, with headquarters at Astoria, Oreg., advising me that because of the stress of work due to this particular season of the

year, they are unable to have a representative here. Therefore they have sent me a lengthy letter reviewing the provisions of the bill, in which their views are presented, and I would like to ask that it be embodied in the record and presented as their statement to the committee.

The CHAIRMAN. That will be printed in the record.

Senator CHAMBERLAIN. Mr. George M. Warren is here and I would like to ask what he be heard as the representative of the Alaska-Portland Packers' Association, and he will possibly represent the other companies. He is conversant with conditions and knows how the bill will affect the interests represented by him.

I am frank to say that I am not familiar with the conditions myself and I only ask that the representations of Mr. Warren and the representations contained in the letter from the Columbia River Packers' Association be given the earnest consideration of the committee. All of these people are responsible and reputable citizens and I am sure would not make representations which were not true.

The CHAIRMAN. I will say, Senator, that if there are any other of your constituents who desire to appear before the committee they will be afforded opportunity to be heard.

Senator CHAMBERLAIN. I have wired them all that that privilege would be accorded them if they desired to come to Washington.

The letter from the Columbia River Packers' Association is as follows:

ASTORIA, OREG., *April 30, 1912.*

HON. GEO. E. CHAMBERLAIN,

United States Senate, Washington, D. C.

DEAR SIR: With reference to Senate Bill No. 5856, on which, we believe, a hearing will be had before the committee sometime during the first half of May. Doubtless some packers interested in Alaska will be represented before the committee, either by their attorney or some employee, but owing to the fact that many packers are in Alaska, from which point they will not return until fall, or if not in Alaska are so fully occupied with matters pertaining to the season's business on the coast that at this time they would have to sacrifice a great deal if they are absent from the seat of operations here for an indefinite time, we imagine that but few packers will be present at the hearing before the committee. It is not possible for the writer to leave here at this time, hence, as the best means of getting some matters in connection with the bill before the committee for its consideration, we are submitting them to you herein.

We have a cannery at Nushagak River, Bering Sea, Alaska, and another at Chignik Bay, Alaska, hence are directly interested.

Reviewing the bill in the order in which the regulations are named: To this time there has been paid by the packers of canned salmon a tax of 4 cents per case regardless of grade. Under the Jones bill it is proposed to tax pink, humpback, dog, or chum salmon at 5 cents per case, Cohoe or medium red salmon at 7 cents per case, and king or spring salmon at 11 cents per case, a case being considered forty-eight 1-pound cans or its equivalent. The increase in the tax on red salmon, with which we are largely interested, puts the proposed tax at nearly three times that heretofore paid, while it makes a very slight increase in the tax on the cheaper grades. If the relative market values are to determine the tax per case on the various grades, then taking last year's market value as a basis, when pinks sold at \$4 per case, and reds at \$6.40 per case, the value of the reds was 160 per cent of that of the pinks, and if, therefore, pinks are taxed at 5 cents per case, reds should be taxed at 8 cents per case, instead of 11 cents; or if the rate of taxation on reds remains at 11 cents, then the taxation on pinks should be raised relatively. A tax of 11 cents per case on red or king salmon would be a higher rate of taxation than the same investment in any of the States would be taxed, as in addition to the tax on pack, the packers are required to pay a tax on all kinds of fishing gear. We are by no means averse to paying reasonable and even liberal taxation on our operations in Alaska, but it is our opinion that the tax on the pack of red salmon should not be more than double the tax heretofore paid, or 8 cents per case, as the packers would then pay the proposed tax on fishing gear in addition. If, however, it is the purpose of the department to use a portion of the money raised by the proposed

taxation in building and operating hatcheries for the propagation of young fish, at points wherever it can be done to advantage, and the hatcheries are built and operated at different points or districts proportionately with the money raised by taxation in each district, then we have no further objection to make to the rate of taxation as provided by the bill under consideration, believing that the department would see that hatcheries were built and operated at points where the benefits would not all accrue to a certain few.

We notice that it is proposed to levy a tax on pickled salmon of all species at the rate of 15 cents per barrel. Pickled, or mild cured salmon, which is mostly of the king-salmon variety, is packed in tierces containing about 800 pounds each, perhaps a little over. This quantity is about 17 times more than is contained in a case of salmon of the same variety. Therefore, where a case of 48 pounds of salmon pays a tax of 11 cents a tierce of 800 or more pounds of pickled salmon should, we think, be taxed proportionately, or about \$1.87 per tierce.

Relative to private hatcheries. We notice that the bill proposes to do away entirely with the system of issuing rebate certificates to those canners who have been operating private hatcheries, with which certificates they have been heretofore able to pay the tax on their pack of canned salmon. But few private hatcheries have been operated, and these few have been on streams where those operating the hatcheries benefited almost exclusively by the increased output from those streams, due to the hatcheries. Rebate certificates in the past have been issued at the rate of 40 cents for each thousand young fry liberated from the hatcheries. This does not seem large, and yet it is no doubt true that some of the largest packers in Alaska, who have operated hatcheries on a few streams from which they have had the exclusive benefit of increased production, have practically been relieved of all taxation on their Alaska pack in all parts of Alaska through the rebate certificates resulting from their hatchery operations on one or two streams. The Government could operate these same hatcheries at probably 25 per cent of the cost of rebate certificates issued and would have the remaining 75 per cent of such value as a collectible tax. It is manifestly unfair that if one packer has a hatchery on a certain stream, from which practically all the benefits accrue to him, that he should be released from taxation on his pack on other streams where there are no hatcheries. Government operation of hatcheries is unquestionably most desirable. Better results can then be obtained and all packers are then required to pay alike in the matter of taxation according to their respective packs. By the Jones bill we notice that the system of these rebates is to be abolished after June 30, 1913, and we heartily indorse this provision.

Section 4 relates to the surveying and licensing of fish traps and provides for a lateral passageway of 600 yards between traps and an end passageway of 100 yards between traps. It also provides that no trap shall be greater than 4,000 feet in length, including its leads. All of these regulations are good and meet with our approval, as by them the owner, when he files his survey and pays his license, has a proprietary interest in that location continuing from year to year and is protected from encroachments on those interests within the limited and regulated distances and places his holdings on a basis to which he is entitled through the payment of taxes, all of which is very desirable from all standpoints.

As introduced, the Jones bill provides that all trap locations shall be marked by two piles or monuments at or above high-water mark (presumably on shore), and that the surveyor who surveys the trap or claim must certify to this. This section requires some modification for the the following reasons: Where a trap reaches to the shore it is of course an easy matter to mark the location on shore above high-water mark with piles or monuments, but where one owner has such a trap reaching to shore and another owner had a trap directly outside of it, having allowed the end passageway of 100 yards or more between the inshore trap and his offshore trap, it might not be possible to mark above high-water on the shore the location of the offshore trap, unless it is provided in the regulations that the notices on the shore monuments for the outside trap mention the distance from the shore to the inside end of the lead of the offshore trap. You will understand, in a case such as we cite, that where the two traps owned by different parties were in a direct line from the shore, one outside of the other, with the end passage provided properly observed, the monuments on shore would necessarily have to be practically in the same range or place. We think, therefore, to properly regulate the marking of such locations that the owner of the trap reaching to the shore should be required to state on his notice, as his survey would show, how many feet from shore was the outermost point of his trap, so that the offshore owner would have his rights more definitely defined as to how close he could come to the shore with the inside end of his lead. The necessity for offshore locations which do not reach to the shore is apparent from the fact that certain bays or streams where one company may have secured practically all trap locations the leads of which could

reach to the shore another company, having an investment in the same waters, is forced to take up offshore locations and should be equally protected in those offshore locations as is the company having locations the leads of which may reach to the shore. The possibility of marking such offshore locations, during the period of the year when the traps are not fishing, by piling or dolphins is doubtful, because of the fact that the ice would probably tear out such markers. It might also happen that an offshore location would not be directly in line with a location reaching to the shore, and it might also be so far from shore, in the case of a large body of water, that it would be almost impossible to mark it with any kind of monuments ashore. It can, however, be accurately surveyed when it is in operation and can likewise be placed in identically the same position each year by survey or by certain ranges established ashore at certain points.

One of the regulations of this section is that no lead shall be constructed with a bent or recurved end, or jigger, directed or turned toward the opening of the trap. It is usual in all waters where traps are used to put a curve on the inside end of the lead, extending out anywhere from 50 to 100 feet from the lead proper, the object of which is that if fish should strike the lead toward the inside end they would possibly by this curve be directed toward the body of the trap, the same as they would be if they struck the inside end of the lead of a trap which reached to the shore. In the latter case it would not be at all possible for the fish to get around between the trap and the shore, because the lead would reach right up to the shore. Therefore the curve on the inside of the lead of a trap placed out in the open water, without any shore connection, is to serve partially, but not so effectually, the purpose which the shore itself serves to the inside trap. Such curves on the inside end of the leads are used in Puget Sound waters, Columbia River, and in all other waters where traps are used, and we can see no reason why they should be objectionable. We feel satisfied that had Mr. Jones fully understood the need of giving protection to such offshore traps as we have described he would have incorporated in his bill provision for some suitable marking of some other than the compulsory method of two markers above high-water mark on shore, which in the case of these outside traps might not be possible. All those practical in the method of catching fish by traps recognize the fact that a trap the lead of which attaches to the shore has a great advantage over those which must be placed in outside waters, without any shore connection, hence the latter should be entitled to such small benefit as a recurved end on the lead would give it, and the owner is certainly entitled to the protection of his location without the necessity of putting markers ashore, where it is practically impossible to do so, so long as he has filed an accurate survey of the location and places the trap on the same location each year, as can readily be determined by a survey at any time.

We respectfully ask that you appear for us before the committee and endeavor to secure an amendment to the bill as originally introduced, whereby offshore traps are provided for without making it necessary for the owners to put markers ashore where it is impossible to do so, and that the restriction against putting a recurved end on the lead be eliminated. We believe that should this matter be called by you personally to the attention of Mr. Jones and explained to him as we have endeavored to explain it to you that he would himself be glad to amend his bill in this respect because of realizing its justice and fairness and its unintentional omission in the original drafting of the bill.

We think you will admit that we are not criticizing the bill in any respect, excepting that the taxes seem very high to us, but we are asking for provision only that will secure and make good to us permanently our interests in trap locations which we now have and may subsequently secure. We trust that you will feel that you can take this up personally, and we will appreciate very much your interest and your acknowledgment hereof and advices as to the result of your effort.

Sincerely, yours,

COLUMBIA RIVER PACKERS' ASSOCIATION.
GEO. W. GEORGE, *Vice President.*

STATEMENT OF DR. B. W. EVERMANN—Resumed.

The CHAIRMAN. Doctor, we will now take up section 8.

Mr. DORR. I think it would be proper to remark at this point that we make no objection at all to the method of closing traps. We agree that whatever is necessary to make the close effective ought to be done. If they are satisfied with that method, we are.

Section 8 is as follows:

SEC. 8. That it shall be unlawful to put or place in any of the waters of Alaska any explosive or poisonous substance whatsoever for the purpose of catching, taking, killing, or injuring fish; or to place or deposit in, or discharge or pass into, or cause or suffer to be placed or deposited in or discharged or passed into, or to place or cause to be placed where it may pass into any stream, creek, river, lake, lagoon, estuary, or the immediate approaches thereto, any lime or other caustics, cocculus indicus, gas tar, petroleum, asphalt, bitumen, or other carbonaceous material, oils, acids, or sulphates or compounds thereof, sawdust, shavings, tanbark, slabs, edgings, mill or factory refuse, slag, sluicings, tailings, smelter or mine refuse, or any other substance destructive to fish fry or the food of fish fry, or which is or may be injurious to the spawn or spawning beds of fishes unless it can be shown that every practicable means has been used to prevent the pollution of the waters in question by the escape of deleterious substances; and in the case of substances known to be deleterious to fishes or fish food or spawn it shall not be necessary to prove that the pollution of the waters by these substances in the particular case in question has actually caused the death of any particular fish, fish fry, or spawn: *Provided*, That nothing in this section shall be construed to prohibit the use of explosive or stupefying agents by properly authorized persons engaged in scientific investigation under the direction of by permission of the Secretary of Commerce and Labor, or the use of explosives in connection with the construction of buildings or improvements under official authority.

Dr. EVERMANN. Section 8 simply provides a penalty for polluting the streams, and the section is drawn along the same lines as are followed by the respective States to prevent the pollution of waters.

The CHAIRMAN. That is an entirely new section?

Dr. EVERMANN. Yes, sir; that is an entirely new section and I desire to state that at present there is no serious pollution of the streams in Alaska so far as the bureau is aware, but there is a little and in time there will probably be a great deal; and this section would not work any hardship on anyone and can not fail but to have a beneficial effect upon the interests both of the fishes and the fisheries.

The CHAIRMAN. Is there any controversy over that section?

Mr. DORR. None at all, so far as I know, except that we would like to add to the section a proviso as follows or substantially embodying this idea:

Provided further, That the dumping of fish offal or gurry into the waters shall not be deemed a violation of this act.

That is the refuse that comes from the canneries themselves while in operation and which must be disposed of.

Dr. EVERMANN. We have no objection to that.

The CHAIRMAN. You think that would be all, Doctor?

Dr. EVERMANN. That would be in a region where it would not affect the salmon spawning beds.

Mr. MOSER. That was the very point I wanted to make. The bill reads:

Or any other substance destructive to fish fry.

And it might be construed that the gurry from the canneries was destructive to fish fry.

The CHAIRMAN. What do you mean by "gurry"?

Mr. MOSER. The gurry is the cleanings or offal from the cleaning of fish.

The CHAIRMAN. Now we will take up section 9.

Section 9 is as follows:

SEC. 9. That it shall be unlawful for any person wantonly to waste or destroy salmon or other food fishes taken or caught in any of the waters of Alaska, and the utilization of any part of food fishes, other than the offal and waste thereof from establishments preparing fish food products, in the manufacture of fertilizer or fish oil shall, after January 1, 1914, be regarded as such wanton waste.

Dr. EVERMANN. Section 9 has reference to wanton waste and also the use of food fishes for fertilizer or for oil. That section has already been considered, as you know, Senator, before your committee, and the views of the department were expressed at that time.

The CHAIRMAN. That was in connection with the herring fertilizer plants, and Mr. Browne will desire to submit some other data in regard to that latter.

Dr. EVERMANN. Section 9 of the old law is omitted entirely.

The CHAIRMAN. Why do you omit that, Doctor? That makes it:

SEC. 9. That it shall be unlawful for any person, company, or corporation canning, salting, or curing fish in any of the species in Alaska to use any label, brand, or trademark which shall tend to misrepresent the contents of any package of fish offered for sale: *Provided*, That the use of the terms "red," "medium red," "pink," "chum," and so forth, as applied to the various species of Pacific salmon under present trade usages, shall not be deemed in conflict with the provisions of this act when used to designate salmon of those known species.

Dr. EVERMANN. We have assumed that the pure food and drugs act covers that matter sufficiently.

The CHAIRMAN. Have you investigated that sufficiently to be satisfied of this?

Dr. EVERMANN. I think so, sir. We know that the Bureau of Chemistry takes that matter up and has referred in many instances cases of suspected misbranding to the Bureau of Fisheries, with the request that its opinion be given as to whether the goods were misbranded or not; and as the Bureau of Chemistry considers that that falls within its provisions, we thought it would be unnecessary to have it as a section of the salmon law.

The CHAIRMAN. Has there been any alleged violations of that provision since its enactment?

Dr. EVERMANN. I can not speak as to how many violations the Bureau of Chemistry has found or how many convictions have been had. It is quite certain, however, that a number of the labels used on canned salmon are rather optimistic in character. That is to say, they will call the salmon "Choice Alaskan salmon," when it may not be of so high a grade. That is a little too broad and a little too indefinite.

As to whether it is choice or not is a matter of taste—a matter of opinion—and if the Bureau of Fisheries had anything to do with it we would like to have in every case the name of the species of salmon that was used put upon the label; also the name of the locality in which the product was put up. But the packing interests some years ago objected to that last provision because they have their labels printed in large quantities and frequently one cannery runs out of the labels that are assigned to it and another cannery has an oversupply so they have to transfer from one cannery to another, and for that reason they found it more or less impracticable to have this distinguishing label for each particular cannery. However, I am still of the opinion that that would be a very desirable requirement, because it would give the public an opportunity to judge as to the excellence of the salmon coming from Karluk, as compared with Loring, or Bristol Bay, or any other particular region, and that would be of interest and value to the consumer.

The CHAIRMAN. What is now usually put on these cans to indicate the contents?

Dr. EVERMANN. I think in the vast majority of cases the name of the salmon is put on: "Red Salmon" or "Red Alaska" or "Alaska red," or "Coho," or "Spring salmon," or "King salmon."

The word "chum" is occasionally put on. "Dog" salmon is never put on, but "chum" is used instead of dog. I think that another objection to a definite label urged by the canners, was that frequently jobbers desired to have the cans without labels in order that they may put on their own trade label; but I do not see why their trade label could not be in addition to a label which shows the name of the species, the name of the fish, and the name of the locality where canned.

If these three things could go on, then the name of the jobber, so far as the public is concerned, is a matter of less importance, less interest; but the public would like to know who is the responsible party putting up the goods and what is the kind of salmon it is eating and where it was put up.

Mr. MOSER. If you will permit, I would like to say that we should be very glad to have all labels show in a distinguishing way the species and the weights of contents also, and we should be more than glad to have the name of the company stand and not have private labels substituted. As to the locality it would be a very difficult matter, because we fish in very many different places and we have trade demands for certain brands from certain localities. It is impossible to say what your pack will be at that locality, and we have the same labels sent to different places so that when the pack is made we are able to maintain that supply.

We have been trying to eliminate the number of our labels, bring them down to as few as possible. In fact, we should be very glad if we only had one label, because it is very difficult to say what the trade will call for; at the present time, we have somewhere in the neighborhood of 70 or 75 different labels. These brands are for different localities, and the demand is for goods under specific labels. The trade lists have the brands illustrated, and it is a very difficult matter to make any changes.

We do cut the labels down all we can, because it is very inconvenient for us to have these many different brands; but, so far as naming the locality is concerned, it would be a very difficult matter to do that.

The CHAIRMAN. Doctor, what importance is attached to giving the locality, if it is the same kind of fish?

Dr. EVERMANN. It might be the same species of fish, but it will have different food values in the different places, and it will differ in the amount of oil or in the color of the meat for different localities. In some localities the sockeye salmon is drier, for instance, than others. Down in your State, Mr. Chairman, they claim that the name "sockeye" should not be permitted to be used anywhere except in the north end of Puget Sound and the Fraser River region. They have tried to prohibit its use in Alaska, because they say the name "sockeye" has come to mean a higher grade of salmon than those found anywhere in Alaska. That may or may not be a just claim, but as it is the same species of fish in Alaska that is found down in Puget Sound and the Fraser River region, differing only as to some details of appearance and amount of oil and so on in different regions, still, as it is the sockeye salmon, the Bureau of Fisheries has advised

the Bureau of Chemistry that the use of the name "sockeye" in Alaska is not a case of misbranding—it was all right to use it. But the packers know better than I do that there are slight differences in the same species of salmon in the different regions.

Mr. DORR. While the doctor is undoubtedly correct about that, I think it is safe to say that these differences are so slight that no consumer could ever differentiate between a fish caught in one locality in Alaska and the same variety of fish caught and packed in another locality in Alaska. These differences might be interesting to the Bureau of Fisheries or some scientific bureau, but so far as the purchase and eating by the public is concerned there is no difference. Red fish up in Alaska all stand on the same basis and sell for exactly the same money, and it is just a question of my label being better advertised than somebody else's label or his label being better advertised than my label; but I do not think the doctor would seriously urge that the eating public would ever gain a particle of advantage by having it known whether the fish was caught in Loring or Ketchikan, or Fort Wrangell, or Yes Bay, or Chilcoot, or Icy Straits, or the 40 other places where they pack this same variety of fish.

The CHAIRMAN. That is, you think the same species of fish caught at these different places would be substantially the same to the eating public?

Mr. DORR. Yes; I do.

Mr. MOSER. I do not think the eating public can possibly distinguish. We are able in opening cans at different times to distinguish slight differences. There may be more oil in one can than in another. I may add this, too, that not many years ago the canned sockeye of Alaska brought higher prices than the canned sockeye of Puget Sound. These things go by fashion, and not so much by taste.

Mr. DORR. And it is also correct, is it not, gentlemen, that the quality may vary from year to year in the same locality? Some times you will find a run of fish that are comparatively more oily than the next season's run?

The CHAIRMAN. Does the process of canning in the different factories have anything to do with that?

Mr. DORR. No; it is all the same.

Dr. EVERMANN. I may say that I can not agree entirely with Mr. Dorr and Capt. Moser as to the lack of discrimination on the part of the consumers. I have made some observations which lead me to believe that the consumer does make a distinction. He finds one brand of salmon more to his taste than another. He is unable, however, to correlate that difference with any geographic distinction, because the geographic factor is not on the label. It is simply "Alaska." He does not know, for instance, that the Loring fish is better than the Wrangell fish, or conversely. But he does know that a certain brand that he has been getting pleases him better than another brand.

Now, I believe that if the locality could be placed upon the label that that would work advantageously in two ways: It would educate the public as to the relative values of the same species of salmon in different parts of Alaska—Puget Sound, or the Columbia River, and so on—and it would also be advantageous to the packers themselves in that it would serve as a check or as a means of determining the care

that was taken by their men at the respective canneries. There is some difference.

In some canneries the work is done much more carefully and neatly and cleanly than in others, and the difference is great enough that I am sure when the product is put upon the market if it has a difference regarding the favor with which the article is received by the consumer, and if the consumer is able to say, "This article came from Wrangell or from Loring or from Ketchikan," and makes complaint regarding Loring or Ketchikan or whatever place it may be, that complaint sooner or later will get back to the canner and he will try to find out what the trouble is; whether it is in the fish itself or whether it is in the manner of preparation.

The CHAIRMAN. Well, now, Captain, I understood you to say that you had about 75 different labels?

Mr. MOSER. Yes, sir; different brands.

The CHAIRMAN. I wish you would explain what those are in a general way. I would like to get at the differences.

Mr. MOSER. Each brand is named. It has a certain name. You will find one brand, for instance, as "Alaska Red"; one will be "Coleman's Flag."

The CHAIRMAN. What does that signify?

Mr. MOSER. Simply a name.

Mr. DORR. They are just adopted names, like "Carnation Milk." It stands for nothing in connection with the fish.

Mr. MOSER. It is a brand which is registered. The company holds that brand, and it is valuable to that company on account of the selling of that fish under that brand in certain localities.

The CHAIRMAN. It does not signify anything as to the kind of salmon in that can except as to those who are acquainted with that particular kind of brand?

Mr. MOSER. Oh, in addition to that, Senator, there are a number of other things on the label. The label shows the packers and the contents, and how much salmon is contained in the can and the variety.

The CHAIRMAN. That is contained on the label?

Dr. EVERMANN. It does not always appear, does it, upon the can? Take a can labeled by the jobber. There are many cans on the market that would not show that.

Mr. MOSER. We are very much opposed to the jobber relabeling our products. That matter has been brought up a number of times, but the large interests in other lines of goods are so strong that we have not been able to hold that in check.

Dr. EVERMANN. We frequently see on the label merely the jobber's name; as, for instance, Kelly-Clarke Co., but the canner's name does not appear at all.

Mr. MOSER. We are opposed to that, but as long as the Government permits it on other canned products we are unable to make a change.

The CHAIRMAN. Does the Government permit the jobber to put a label on the can without any label of the packer?

Mr. DORR. Yes, sir; the pure food law allows that.

The CHAIRMAN. That is, the label is put on by somebody who had nothing to do with putting up the product?

Mr. DORR. Nothing at all. He is simply the seller.

The CHAIRMAN. Do you not think, Doctor, that so far as the fish is concerned some change ought to be made in that particular?

Dr. EVERMANN. I think that that ought to be remedied.

Mr. DORR. We think that that whole system is inimical to the interests of the packers and also to the public. We think the salmon ought to go out under the packer's name. But as to the locality, we think that the label "Packed in Alaska" ought to be sufficient without describing these little various localities.

The CHAIRMAN. It does strike me that the man who puts it up ought to be the one whose label appears on the can.

Mr. MOSER. Our own labels are frequently removed and the jobber's name put on.

The CHAIRMAN. And there is no provision of law that prohibits that?

Mr. MOSER. No; in fact, we have taken the matter up once or twice, but have never been successful in preventing it.

Mr. DORR. The pure-food act expressly permits it.

Mr. MOSER. You see these different brands, Senator, are our trademarks. They are valuable to us. When we introduce them in a certain section of the country, we would like to maintain them in that section. If the labels are removed and a jobber's label is put on, that allows the advertising of the product under the jobber's name.

Dr. EVERMANN. I may say that I have in my office a scrapbook in which I have pasted one each of the various labels which were in use in Alaska at the time that scrapbook was made, and there are more than 1,000 of them for the 6 different species of fish that were put up—the 5 salmon and the steelhead.

The CHAIRMAN. Now, Captain, can you give us an illustration of the removal of your label and the putting of another label on to show the difference between the two labels?

Mr. MOSER. Well, the label is very easily removed, Senator. There is only one line of paste on the label and all you have to do is to take a knife and run it through the label and the whole label drops off. The private individual can have his own label printed.

The CHAIRMAN. I would like to get a concrete case where this was done, and what was put on in place of your label.

Mr. MOSER. I could not recall that offhand.

Mr. DORR. I can. I can give a number of instances that have come under my notice, if you wish.

The CHAIRMAN. I would like to have you do that, Mr. Dorr.

Dr. EVERMANN. I can bring down some labels to-morrow if you care for them.

Mr. DORR. For instance, take the "Canoe brand," which is one of old-established labels in Alaska. A carload of salmon under that brand is sold to a jobber in New York and, without naming any specific jobber there, I have known of instances where they will take those labels off and substitute their own labels.

The CHAIRMAN. What does the "Canoe label" have on it?

Mr. DORR. It is, for instance "Alaska Red Salmon, Canoe brand," with the picture of a canoe simply to attract the eye, "packed by so and so; packed in Alaska," and the contents of the can, "16 ounces of fish and one-quarter ounce of fine salt," etc.

The CHAIRMAN. What would the substituted label have on it?

Mr. DORR. The substituted label would have, perhaps, "Lily Brand of Alaska Red Salmon, packed expressly for John Smith & Co., Wholesale Grocers, New York." Another jobber has his "Wedding

Ring Brand"; another jobber his "Duplex Brand," and so on. They simply coin names of their selection. They sometimes use a single brand for an entire line of canned goods; that is, they will take the Lily brand and sell Maine corn under that brand, Wisconsin peas under that brand, Alaska salmon under the Lily brand, and so on through the entire line of canned goods. That keeps the jobber's name before the public; but the canner is entirely eliminated from the proposition.

The CHAIRMAN. Do these brands ever change the representations with reference to the contents of the can?

Mr. DORR. Well, if they are doing that now, they are violating the pure food and drugs act. I am not prepared to say that they misrepresent the contents. They do not need to misrepresent it. They can say it is packed in Alaska; that it is this or that or the other variety of Alaska salmon, and that it is sold by Mr. Jobber.

Dr. EVERMANN. Senator, one trouble that arises in that change of the label is that perhaps the smaller companies—an individual cannery here and there—may put up poor grades of salmon or the lower grades, such as dog salmon or chum, and send them to the jobber as blanks without any labels, and the jobber may put on a label something like this:

Choice Alaska salmon; packed for John Jones & Co., New York.

That to my mind would be a case of misbranding, because it is not choice. That is, it is not the best if we assume the word "choice" means the best; but the difficulty would be to trace it back to the responsible party. The name of the packer does not appear on it at all.

The CHAIRMAN. If you show who actually branded it, they would be guilty, would they not?

Dr. EVERMANN. That should appear upon the label, who put it up, but with these jobber labels——

The CHAIRMAN. No; what I mean is this: Suppose the canner sends these cans without labels and then the jobber puts the label on and labels it, and is guilty of misbranding. Does not his offense in mislabeling that can render him guilty under the pure-food and drugs act?

Dr. EVERMANN. I should think so.

Mr. DORR. He is guilty under the law.

Dr. EVERMANN. But whether you could convict him or not is a question.

Mr. DORR. I think you could convict him. He stands in the place of the packer under the law; but there is no way to fasten the responsibility primarily.

The CHAIRMAN. Of course, the packer may not have intended to have represented that as choice.

Dr. EVERMANN. The packer is evidently not responsible in that case at all.

The CHAIRMAN. Although if he sends it on to the jobber without any brand at all, to a certain extent he ought to be subject to criticism. They are likely to put almost any sort of brand on there.

Mr. DORR. Speaking for myself, Senator, if I may be permitted to say so, I do not believe the food and drugs act will ever become as efficient as it was intended to be and as it should be until the secondary labels are eliminated and the name of the manufacturer or the

packer is required to be left on the canned goods, and they are permitted to be sold only under that name.

The CHAIRMAN. It does seem to me that the original packer's label ought to be on, and if the jobber wants to put on an additional label that might be permitted; but the original packer's label, it seems to me, ought to be on the can.

Mr. MOSER. It is very desirable to have the original label on. The label covers the whole can, and it would be impossible to have an additional label on the can; but, as I said before, it is one point that the canners, so far as I know, so far as my company is concerned, would be very glad to see some legislation on that would protect the packing interests. The matter has been brought up repeatedly, but the other canning interests, with the enormous varieties of their pack, have been so strong that we have been unsuccessful.

The CHAIRMAN. That is a matter to which we will give careful consideration in connection with the proposition to leave out section 9 of the present law.

Dr. EVERMANN. The department would be very glad if such a section could be put in. We did not put it in because we hesitated to divide authority on this question between the Bureau of Chemistry and the Bureau of Fisheries.

The CHAIRMAN. Does the Bureau of Chemistry disregard this section in the fisheries law and are they governed by the provisions of the general food and drugs act?

Dr. EVERMANN. They are governed by the general food and drugs misbranding act.

Mr. DORR. Do not you think, Doctor, that it can do no harm and might perhaps do some good to leave that in?

Dr. EVERMANN. As I have just said to the Senator, we shall be very glad if a section of that kind is put into the salmon law.

The CHAIRMAN. Then we will consider the question very carefully, whether we should expressly provide that the packers' label should be placed on the can.

Dr. EVERMANN. Yes, sir.

The CHAIRMAN. Of course we do not want to do anything that will impair the efficiency of the pure food and drugs law.

Mr. DORR. Well, it would not, in my opinion, impair the efficiency of the present law. It would merely add to it and strengthen it.

Mr. DORR. May I ask before passing from that why section 7 of the old law is eliminated?

The CHAIRMAN (reading):

SEC. 7. That it shall be unlawful to can or salt for sale for food any salmon more than forty-eight hours after it has been killed.

That is omitted, is it not, Doctor?

Dr. EVERMANN. Yes, sir.

The CHAIRMAN. Please give your reasons for that?

Dr. EVERMANN. The climatic and temperature conditions are somewhat widely different in different parts of Alaska. While 48 hours would be too long in some parts of Alaska, and on certain days in certain weeks it might not be too long, we thought that this matter could be left to the judgment and discretion of the canning interests. If inspection shows that at a certain cannery they are using rotten fish, then they could be gotten at in some other way; but the assumption is, or we assumed, that the business is so developed now and so

safeguarded that a restriction of that kind is not necessary, because I believe that there are times when fish 48 hours out of the water are still good fish, and then there are times when fish only 12 hours out of the water are not good fish. It depends upon the temperature of the water and the manner in which the fish are handled.

Mr. MOSER. That is right. We rather like to have the fish out of water about 12 hours before they are packed. If fish are packed fresh from the sea it is difficult to fill the cans with the proper amount. They are like a rubber ball; it is hard to fill the can. We therefore always like to have the fish out of the water some hours. The fish that are taken out on the afternoon of one day we do not pack until the following morning, because they are not so elastic then and we can fill the cans better.

The CHAIRMAN. Are there any certain circumstances under which fish ought to be canned or could be canned after they have been out of the water 48 hours?

Mr. MOSER. Yes; there are very many occasions. It happens very often; very frequently. I noticed it was left out and I thought possibly it was on account of the pure-food law which covered that subject.

The CHAIRMAN. Do you think, Doctor, conditions have changed so much since the original act was passed as to make it necessary to require that this section be omitted?

Dr. EVERMANN. Our judgment was that in practice we found that section 7 was not particularly desirable or necessary. As I have said, and as I understood Capt. Moser to say, it often happens that fish 48 hours out of the water are still good fish. This fixes the time limit upon the supposition that fish caught less than 48 hours are safe and fish caught over 48 hours are not safe. I do not think that is very scientific.

Senator BOURNE. Why should not a time limit or a restriction of some kind be put in there?

Dr. EVERMANN. It should be a quality limit rather than a time limit, if the fish are still good.

Senator BOURNE. It seems to me your quality limit leaves it to the discretion of the individual and your time limit is something definite, which would be much preferable to the other.

The CHAIRMAN. And yet the time limit does not absolutely control.

Senator BOURNE. There must be some time limit in which it would be determinative.

The CHAIRMAN. And yet if the fish had been out of the water less than 48 hours and still were bad, they should not be permitted to be canned.

Senator BOURNE. What check have you on that?

Dr. EVERMANN. That has to be left very largely to the cannery superintendent or the inside foreman or whoever looks after the matter. Do they both look after it?

Mr. MOSER. Yes; both look after it.

Senator BOURNE. Then there is no way of having anything in the law in reference to it?

Dr. EVERMANN. We leave out the entire section in reference to it.

Senator BOURNE. And there is nothing in the proposed bill. Your reason for the proposed change was what?

Dr. EVERMANN. That fixing a time limit for all of Alaska is not safe, because in some places on some days or weeks fish 12 hours out of the water would be worse than fish at other places and other times 48 hours out of the water.

Senator BOURNE. So the elimination of the proposed law is proposed by the Bureau of Fisheries? Have you had any protests?

Dr. EVERMANN. I do not recall any protests. It was the result of our own observations and inferences.

Senator BOURNE. It was your development in a practical way?

Dr. EVERMANN. I do not recall that any suggestion was made from the canners at all on that matter.

The CHAIRMAN. There have been no complaints about this provision?

Dr. EVERMANN. I think statements have been made that if that law were rigidly enforced fish would have to be thrown away that were good and if it were literally enforced that bad fish could be canned which had been caught less than 48 hours.

Senator BOURNE. I do not think the latter applies.

The CHAIRMAN. Then it is not meant that they could put up bad fish within 48 hours?

Dr. EVERMANN. They could put them up.

Senator BOURNE. Not without jeopardizing their own business. For their own protection they would not do that.

Dr. EVERMANN. I think it is safe to assume that the canning interests are in a business which they hope to continue for some time, and that they will conduct that business so that their products will have a good reputation.

The CHAIRMAN. If they put up bad fish, even if it were put up within 48 hours after it was caught, it would be a violation of the pure-food law, would it not?

Dr. EVERMANN. Not because of its having been put up within 48 hours.

The CHAIRMAN. If they put up fish, even if it had been caught less than 48 hours, which was bad, it would be a violation of the pure-food law, would it not? However, you think that limitation is not necessary?

Dr. EVERMANN. I do not think it is necessary.

Senator BOURNE. What, as a matter of fact, Captain, is the longest period that fish have been out of water before they have been canned?

Mr. MOSER. We are very careful in packing fish not to pack stale fish under any conditions whatever. It would not be possible to put a bad product on the market. There have been times in small canneries where such fish may have been packed, but I think in very limited numbers. I do not think the practice obtains to-day anywhere.

Senator BOURNE. That does not answer my question. What is the longest period that fish have been out of water before they have been packed, to your knowledge?

Mr. MOSER. It is very difficult for me to say, Senator, because in some instances where the water is quite cold we are able to hold fish for more than 48 hours and still have good fish.

Senator BOURNE. I understand; but how long?

Mr. MOSER. I said before you came in that we tried to hold our fish at least 12 hours before packing, because if you pack salmon

fresh out of the water there is a certain amount of elasticity to the meat that makes it impossible to fill the can with the proper amount of fish. Fish taken this afternoon are not packed until the following morning.

Senator BOURNE. Will you kindly answer my question, if you have the knowledge?

Mr. MOSER. I could not tell you exactly, Senator.

Senator BOURNE. I would like——

Mr. MOSER. But not longer than three days. In fact, I do not know of any circumstance where it would be necessary to keep fish that length of time. We usually take enough fish at the canneries to take care of the run the following day if the fish are running full.

The CHAIRMAN. If there is a small cannery that has no regularly established market and which sells its goods here, there, and yonder, there would be more likelihood of that cannery following this practice than one of the large concerns?

Mr. MOSER. There is a possibility of that, yes. But I do not think it is practiced nowadays. I think that every one that maintains a cannery has his brands going to certain markets, and he is desirous of maintaining his brands in that market, and by putting in a poor quality of fish he certainly would lose his trade.

Senator BOURNE. Well, would there be any hardship if this provision was retained in the bill and the time extended another day?

Mr. MOSER. I do not think it should be extended another day.

Senator BOURNE. There would be no objection on the part of the canning interests, then, if that was done?

Mr. MOSER. No; there would be no objection on the part of the canning interests.

The CHAIRMAN. That is, you would not object to its being retained in the present bill?

Mr. MOSER. I think not.

Mr. DORR. I have heard some rumors—I do not know whether they are authentic or not—to the effect that experiments were to be tried soon by which fish would be chilled and kept over in that way. This is in order to retain a sufficient supply for canning during the slack periods of the runs.

If that should occur, then there is no reason why the time should be limited to 48 hours, or any other short time, because the fish may be kept from some considerable time. We know they are kept. They are brought down from Alaska in ships in ice, kept for weeks, and sold here in Washington City markets, for instance, and in the New York markets as fresh fish, and they are perfectly fresh.

The CHAIRMAN. Of course, if a cold-storage plant was maintained in connection with the canneries that might be done.

Mr. DORR. I have heard there were some prospects of that being done in the near future.

The CHAIRMAN. Are there any canneries now which maintain cold-storage plants in connection with their plants?

Mr. DORR. I do not know that they do in Alaska.

The CHAIRMAN. Of course we are referring to Alaska.

Mr. DORR. I do not know that they do, but these plants have been talked about and may be in the immediate prospect in Alaska.

Mr. MOSER. I may say this in connection with that question: That I think it was tried in one instance on Puget Sound to chill the fish,

but the difficulty in chilling the vast number of fish which you are obliged to utilize for a day's run, for example, is very great. You can not chill, as I understand it, a mass of fish in a fish house. You can not chill them in bulk. Fish have to be laid out on racks so that the cold air circulates around them, and to handle the large number of fish for a day's run, or a number of days' run, or even for a thousand cases, would involve an expense that present conditions at least would hardly warrant.

You are asking whether there were any cold-storage plants in connection with any of the Alaska canneries. I may say this: Last year we purchased a schooner and fitted her out with a cold-storage plant for the purpose of seeing what could be done in the direction of bringing cold-storage fish from Alaska. Last season we brought down probably a hundred tons as an experiment, to see how the product would take; but we were not altogether successful, so far as the salmon were concerned.

Senator BOURNE. In view of the fact of the inability to chill your fish, why would it not be wise to leave some provision in the law as to the period in which salmon shall not be canned after they are taken out of the water? It appeals to me as rather a protection.

Mr. MOSER. I see no objection to keeping the present law—the 48-hour period. I do not think that in many instances fish in Alaska, at least, deteriorate within the 48-hour period. There are times, however, in Bristol Bay, in the Nushagak region, or the Bering Sea region, at least, where they have some very warm days. There are days when the temperature is such that it is very comfortable to go around in your shirt sleeves, with the thermometer from 80° to 90°.

Senator BOURNE. That is in the middle of the day—not for the whole day?

Mr. MOSER. Where you have a very long period of the sun in 24 hours the earth warms up very rapidly. That, of course, is shown by the vegetation which is apparent on every side.

The CHAIRMAN. That is, you have very warm days and very short nights?

Mr. MOSER. Very short nights; yes, sir. Even up in the Arctic Circle there are river valleys where temperatures of 90° occur occasionally—excessively warm during the day.

The CHAIRMAN. How cold would it get in the nighttime?

Mr. MOSER. Well, the nights run down to probably 50°.

The CHAIRMAN. That is away above freezing.

Mr. MOSER. Oh, yes; that is away above freezing.

The CHAIRMAN. Well, we will take up section 10 now. We considered that the other day, did we not?

Section 10 is as follows:

SEC. 10. That for the purposes of this act all measurements of waters referred to herein shall be made at mean high water, and the Secretary of Commerce and Labor is authorized to determine and indicate by suitable markers the mouth of any creek, stream, river, or other waters referred to herein. It shall be unlawful to efface, destroy, remove, or in any manner interfere with any monument, marker, or notice provided for in this act.

Dr. EVERMANN. We discussed section 10 the other day to some extent. It simply provides that the Secretary of Commerce and Labor shall indicate by suitable markers where the mouth of any creek or stream is.

Senator BOURNE. You are simply discussing, as I understand it, proposed sections in the law. Have you discussed section 9 of the proposed law?

Dr. EVERMANN. Yes.

Senator BOURNE. That has been discussed.

The CHAIRMAN. That was discussed by Mr. Snow. Mr. Browne has some additional suggestions as to that, but the department has nothing further to suggest.

We discussed the substance of section 10 in connection with another section. We discussed the matter of the approaches and entrances to stream.

Mr. WEBB. And the mean high-water marks.

Dr. EVERMANN. Another section caused the subject of this section to be discussed and it was discussed to some extent.

The CHAIRMAN. Section 8 is found on page 18 of the reprint. Section 10 covers more specifically the designation of the mouth of the stream.

Dr. EVERMANN. This section is, I think, a pretty important one because it will enable the fishing crews to understand definitely and clearly just where they may or may not fish. That is not left as a matter of judgment or opinion to the foreman of the fishing gang. He does not have to consider whether the mouth of the stream is here or there with this section enacted into law. He sees the markers; that is where the mouth of the stream is and he must not go above.

Senator BOURNE. You simply transfer the matter of judgment from the fishing industry to the department?

Dr. EVERMANN. Yes, sir.

Senator BOURNE. So it is the ipse dixit anyhow of the department?

Dr. EVERMANN. Well, the decision of the department would be based upon observation and investigation and would have in mind primarily the permanency of the fisheries; while the decision which the fishing foreman might reach would be as to whether or not he could catch fish.

The CHAIRMAN. How long would it take you to mark the mouth of these streams and waters referred to?

Dr. EVERMANN. With our present force it would take several years; but we would endeavor to proceed with it as rapidly as possible. A good many of them we know so as to place the markers at once.

The CHAIRMAN. How long would it take you to mark the streams necessary to indicate these points to the fishing industries now engaged there?

Dr. EVERMANN. I think in a couple of seasons we could do that.

Senator BOURNE. With your present force?

Dr. EVERMANN. We would put on some temporary people to help them, if necessary.

Senator BOURNE. What would be your estimated expense to do that?

Dr. EVERMANN. It would be very little. It would be a few hundred dollars. We would not ask for any additional appropriation.

Senator BOURNE. And you would have the right to change those markings at any time?

Dr. EVERMANN. I imagine that if an appeal should be made to the Secretary by any of the canning interests that the matter would receive renewed consideration by the department, and I had assumed that under this section he would have the authority to do so.

Senator BOURNE. The Secretary would have the authority to make the changes as he saw fit?

Dr. EVERMANN. Undoubtedly.

Mr. DORR. I do not think that should be left in that way, if that is the meaning of this section. I think when the mouth of the stream is once marked and the fisherman builds his trap with reference to that mark he ought to have some protection. It ought to be a permanent mark. That is our idea; that it should be permanent——

Dr. EVERMANN. I think the probabilities of change would be remote.

Mr. DORR (continuing). It should be left entirely to the discretion of the department in the first instance, but after it is fixed then it ought to be permanent, not subject to the whims of some one in authority.

Senator BOURNE. You would like to know just what you can and what you can not do?

Mr. DORR. Yes, sir.

Dr. EVERMANN. I should think it would not be left to anyone's whim, but I would hardly go so far as to say that a mark once fixed should be unalterable.

The CHAIRMAN. Are conditions at the mouth of these streams likely to change?

Dr. EVERMANN. Yes; very likely.

The CHAIRMAN. They may?

Dr. EVERMANN. Yes, sir; they may.

The CHAIRMAN. In cases of that kind if they should change, of course the secretary should have the authority to change the markings.

Senator BOURNE. I do not think I would put very much money into a plant if I knew it was to be depreciated by the theory or statement of any individual. I would want definite information.

Mr. MOSER. I would like to say that the bill calls for these markers to be placed at mean high water of the mouth of the stream, and it is very difficult at times to determine just what "mean high water" means unless you carry on a series of observations. I have done quite a bit of surveying in my time—hydrographic surveying—where I have always been obliged to carry on detailed observations, and in many instances where there is a flat shore it is a difficult matter and requires some observation to determine just what mean high water is. It also requires some experience and some judgment to determine that point. It is not an easy matter, I think, to determine what the mean high-water mark is.

The CHAIRMAN. Doctor, would you expect to determine the mean high-water mark by your own observations or through the Hydrographic Office?

Dr. EVERMANN. We would determine that through the Hydrographic Office and the Coast Survey.

The CHAIRMAN. That is, you would take the mean high water as designated by the Hydrographic or Coast Survey?

Dr. EVERMANN. That was our idea.

Senator BOURNE. Does that change from season to season?

Dr. EVERMANN. It is fairly permanent.

Mr. MOSER. Mean high water once determined is always the same.

Senator BOURNE. If that is the case what is the use of giving any discretionary power to the Secretary of Commerce and Labor in addition to the original power to establish the markings?

Dr. EVERMANN. Senator, there are two things in this section; one:

That for the purposes of this act all measurements of waters referred to herein shall be made at mean high water.

That is one thing. The other is:

And the Secretary of Commerce and Labor is authorized to determine and indicate by suitable markers the mouth of any creek, stream, river, or other waters referred to herein.

That does not mean that the mouth shall be marked at the place of mean high water.

Senator BOURNE. It means that he has the right to make the markings. That is all right. Give him the right to make the markings, but after they are made I do not personally believe in giving him the right to change them. I think by so doing you put a prohibition against the development of the industry and you jeopardize the capital invested. You put an unnecessary limitation there which will be prejudicial to what we all wish to bring about; namely, your conservation policy and also the development of the industry to the extent the industry warrants. I do not see the necessity for it at all, provided your mean high water is something permanent.

Dr. EVERMANN. Ordinarily the cannery is not dependent upon the fishing off the mouth of one individual stream. It depends upon a number of streams.

Senator BOURNE. It is immaterial how many units you have. It is the uncertainty—the uncertainty in ideas of policy as administrations change and as individuals change.

Dr. EVERMANN. Moreover, the possibility of changing the mouth of the stream should be allowed for because it would work quite as often to the advantage of the fishing industry as to their disadvantage. The change might be made so that it would allow fishing where it was not allowed when the markers were first put in.

Senator BOURNE. They would not put in a plant if there was no allowance made for fishing.

Dr. EVERMANN. The mouth of a stream we will say, is originally at a certain place, and the markers are within a certain distance of that place. Further investigation develops that fishing might safely be allowed a little farther up that stream and the markets might then be placed farther up.

Senator BOURNE. If I put my money in it, that would not be any inducement to me for the investment of my capital when I considered its security.

Mr. DORR. I would like to suggest that in the State of Washington, where we have a similar law, we have had a good deal of litigation over that thing, and as far as my observation and experience go. I should be very strenuously opposed to any change in the markers after they are placed. I think the department should have full and ample discretion in the first instance, and then after the fishing industry has adapted itself to that situation it ought not to be hazarded by any change.

Mr. WICKERSHAM. Do you think there is any opportunity there for change?

Mr. DORR. I did not think there was, but Dr. Evermann suggested——

Dr. EVERMANN. That was the thought that I had in mind, but I would not insist upon having that authority.

Mr. WICKERSHAM. I do not think you are given any authority to change it whatever. You are only given authority "to determine and indicate by suitable markers the mouth of any creek, stream, river, or other waters referred to."

Senator BOURNE. It would be very easy to eliminate the possibility of any uncertainty there by inserting the word "permanent" in line 12 of the proposed section 10.

The CHAIRMAN. I do not think that would be necessary. However, that is a matter we can work out when we come to consider the terms of the bill. I think we are all agreed that when these markers are once made they should not be arbitrarily changed.

Mr. WARREN. Is not there another section that gives the Secretary the power of closing the entire district?

The CHAIRMAN. We have passed over that section.

Mr. MOSER. I think the cannery interests are very desirous of having the mouths of the streams marked. I think they would like to have something permanent under which they may operate. It is very difficult, however, to put a permanent marker there unless at great expense. You could even drive a piling there and the piling may be washed out unless you have reference points which probably might be adopted, but which would also include additional expense.

Mr. BROWNE. You could have it located by surveys from the shore.

The CHAIRMAN. Is there a provision in the bill that makes it unlawful to fish in the mouth of a stream that is not marked?

Dr. EVERMANN. There is no provision now for marking the mouth of the stream, but there is a provision in the law against fishing nearer than a certain distance to the mouth of any stream.

The CHAIRMAN. If we pass this bill with this provision, then, would it be unlawful to fish in the mouth of a stream not marked?

Dr. EVERMANN. Yes; it would be unlawful.

Mr. DORR. To fish in any stream that is not marked?

Dr. EVERMANN. Yes.

Mr. DORR. Then there might be several years elapse before mouths of the streams are marked.

The CHAIRMAN. That was the point I had in mind. Should we not have some provision in here allowing fishing in streams until they are marked?

Mr. DORR. I do not think the bill as drawn would prohibit fishing in any one of these streams before the markers are placed. I think it would go on as before.

Dr. EVERMANN. That is what I had in mind. I perhaps gave a wrong impression. I did not mean that it would be unlawful to fish, but it would be unlawful to fish within a certain distance of the mouths of these streams.

Mr. DORR. But that will have to be determined, as now, without any reference to markers, but by the geography of the locality.

Senator BOURNE. Under the present law do you have to get a license in order to fish on any stream?

Mr. DORR. No licenses in Alaska are required under the present law.

The CHAIRMAN. Now, we will take up section 11. That is in regard to reports.

Section 11 is as follows:

SEC. 11. That every person engaged in catching, curing, or in any manner utilizing fishery products, or in operating fish hatcheries in Alaska shall make detailed annual reports thereof to the Secretary of Commerce and Labor, on blanks furnished by him, covering all such facts as may be required with respect thereto for the information and use of the department and Congress. Such reports shall be sworn to by the superintendent, manager, or other person having knowledge of the facts, a separate blank form being used for each establishment in cases where more than one cannery, saltery, or other establishment is conducted by a person, and the same shall be forwarded to the department at the close of the fishing season and not later than December fifteenth of each year.

Dr. EVERMANN. Section 11 is essentially the same as the present law, excepting the two words "and Congress."

The CHAIRMAN. Section 12 refers to the catch and kill, and is the same, except that this is new:

In his judgment, may be necessary for the proper protection and conservation of shellfish and other aquatic animals not otherwise mentioned in this act: *Provided*, That the weekly close season stipulated in section six shall not be construed to extend to the herring fishery.

Section 12 is as follows:

SEC. 12. That the catching or killing, except with hook and line, spear, or gaff, of any fish of any kind or species whatsoever in any of the waters of Alaska over which the United States has jurisdiction, shall be subject to the provisions of this act, and the Secretary of Commerce and Labor is hereby authorized to make and establish such rules and regulations not inconsistent with law, as, in his judgment, may be necessary for the proper protection and conservation of shellfish and other aquatic animals not otherwise mentioned in this act: *Provided*, That the weekly close season stipulated in section six shall not be construed to extend to the herring fishery.

That corresponds with section 11 of the present law.

Senator BOURNE. Well, now, providing this provision was enacted into law, what rules and regulations would the department make? Why is it not as easy to work out exactly what rules and regulations you would make there and put them into the law itself, so that the fishing interests will know definitely just what they can and just what they can not do.

Mr. MOSER. Senator, this regulation is made to apply:

As, in his judgment, may be necessary for the proper protection and conservation of shellfish and other aquatic animals not otherwise mentioned in this act.

Mr. WICKERSHAM. It does not apply to salmon.

Senator BOURNE. The point I wanted to make is to practically and definitely decide in the law what can and what can not be done.

Dr. EVERMANN. The shell fisheries of Alaska are not developed as yet. Scarcely any of the aquatic animals of Alaska are utilized to any large extent, except salmon, halibut, and herring. As to what regulations may be necessary for the adequate and proper protection for the mollusks, fish, clams, and crustaceans, I do not think it would be practicable at this time to state in a law.

Senator BOURNE. Do you think it would be an incentive for men to put money into that industry when they realize anybody can prescribe limitations under which they must operate?

Dr. EVERMANN. I think so; I think they can safely assume, for instance, if clams are sufficiently abundant in some parts of Alaska

to permit the establishment of a clam cannery, that regulations will not be adopted which would make the business prohibitive. They certainly will not feel that way about it.

The CHAIRMAN. Industries have been established up there under a provision just like this relating to the catch of these fish of all kinds. The existing law now provides that the Secretary of Commerce and Labor may make such rules and regulations as he may deem necessary in relation to the catching of fish. It is provided in this bill for rules and regulations regarding the protection of fish.

Mr. DORR. If you will read this act, Senator, carefully, section 11 of the old act limits the rules and regulations to rules and regulations not inconsistent with this act.

The CHAIRMAN. Oh, certainly.

Mr. DORR. But this new provision gives them the power to make the law.

Senator BOURNE. Which I think is bad in any legislation.

The CHAIRMAN. But the rules and regulations to be made shall be made not inconsistent with law.

Mr. MOSER. This question has suggested itself to me: Why, in a bill which relates to the salmon of Alaska, should we interject shellfish and other aquatic animals?

The CHAIRMAN. I would like the doctor to tell why he wanted this change made.

Dr. EVERMANN. The law does not relate to salmon alone. It relates to halibut and to herring and to all species of fish, and it relates to all species of aquatic animals, and that is the reason this clause was put in.

Mr. WICKERSHAM. Doctor, would seals and walruses be included in "aquatic animals" also?

Dr. EVERMANN. Yes, sir; but there is a special law covering the seals.

Mr. WICKERSHAM. That is, the fur seals. But there are a hundred other aquatic animals covered by this provision.

Dr. EVERMANN. This would include all aquatic animals.

Mr. DORR. Would not this bill repeal the present seal law?

Dr. EVERMANN. That is a legal point that I am not able to pass upon.

Mr. DORR. It says:

That all acts or parts of acts inconsistent with the provisions of this act are, so far as inconsistent, hereby repealed.

Senator BOURNE. The point I make and which still appeals to me is that, in all legislation, wherever possible, we should put into the law itself exactly what private interests can or can not do and leave as little as possible to the discretion of any individual.

The CHAIRMAN. I understand Senator Bourne's position. Right in line with that, now, I want to ask the doctor this question:

Under section 12 of the proposed act you take away the power of the Secretary, do you not, Doctor, to make rules and regulations not inconsistent with the law in regard to the catching of fish?

Dr. EVERMANN. Well, it was not intended to do so.

The CHAIRMAN. It seems to me that you do do it.

Dr. EVERMANN. The Secretary certainly should have the power to make such rules and regulations, not inconsistent with law, as are necessary for the proper carrying out of the provisions of the law.

The CHAIRMAN. I will read it.

The Secretary of Commerce and Labor is hereby authorized to make and establish such rules and regulations not inconsistent with law, as, in his judgment, may be necessary.

For what?

For the proper protection and conservation of shellfish and other aquatic animals not otherwise mentioned in this act.

In other words, you do what I take it Senator Bourne would really like to have done. You take away the Secretary's power to make rules and regulations not inconsistent with the law so far as the catch of salmon is concerned. I wondered whether you intended to do that or not.

Dr. EVERMANN. We did not intend to do that. That can be charged up against the fact that those who drafted this were not lawyers.

The CHAIRMAN. It seems to me that you have done it. I know there is a question whether that ought to be done or not.

Dr. EVERMANN. I think myself that it should not be done.

The CHAIRMAN. Probably you can give some reasons to convince Senator Bourne that it should not be done. I will ask you first what rules and regulations you have now to carry out the law as it is.

Dr. EVERMANN. On page 5 of the circular No. 2 of the Alaska Fisheries Service are a few regulations which have been promulgated by the department. The first of these is:

1. During the inspection of the salmon fisheries by the agents and representatives of this department, they shall have at all times free and unobstructed access to all canneries, salteries, and other fishing establishments, and to all hatcheries.

The CHAIRMAN. Why should not that be put into the law?

Dr. EVERMANN. It is not in the law.

The CHAIRMAN. I know it is not in the law; but if it is a good thing, why should it not be put into the law?

Dr. EVERMANN. That might be put in.

The CHAIRMAN. Would there be any objection to putting it in?

Dr. EVERMANN. None whatever.

The CHAIRMAN. Would it become too rigid hereafter in carrying out the law?

Dr. EVERMANN. That particular regulation, I should say, might possibly go into the law; but as it is, a regulation that could be promulgated by the Secretary under the law probably does not possess the dignity of a section of the law.

The CHAIRMAN. Senator Bourne's point is this: That everything we ought to have we ought to put into the law and not have it issued by the Secretary. I would like to know whether any rules and regulations of the department should be promulgated which you would not think it wise to enact into law—to be made a part of the law?

Senator BOURNE. They have only promulgated three.

How long have you had this authority and how long have you been in promulgation of these three rules and regulations that are set forth here?

Dr. EVERMANN. About six years. So the law covers pretty well all the requirements of the situation.

The CHAIRMAN. In other words, you have not under the law found it necessary to promulgate many rules and regulations.

Mr. BROWNE. This paragraph could be taken care of by the new trap license.

Mr. MOSER. The first section, so far as access to the canneries is concerned, is hardly necessary because I think it is the rule of the canneries—I know in our company we instruct our cannerymen and superintendents to give all the Government officials not only access to the canneries, but to afford them every facility for inspecting the canneries. We entertain them; we house them and put everything into their hands to enable them to carry on their work.

The CHAIRMAN. In other words, the Secretary has not acted unwisely in issuing rules and regulations, has he?

Mr. MOSER. I do not think it would be necessary to issue regulations of that kind. I know it is our policy to further the ends of the Government.

Senator BOURNE. Captain, which would you rather do, have it left to the discretion of the department or have it put into the law? Would you rather have it in the law or left to the ipse dixit of one individual?

Mr. MOSER. We would rather have it in the law, Senator.

The CHAIRMAN. There is very great difficulty of changing provisions of law sometimes. That may not work out very well. It might be very difficult to change the law, and it might be very important that it should be changed; so that, so far as I am concerned, I do not think it is best to take away that power to make rules and regulations from the Secretary.

Mr. DORR. We have no objection to section 11 of the old act as it stands.

The CHAIRMAN. I understand that, and I understand Senator Bourne's position with reference to this matter. So that is a matter we will have to thrash out when we come to formulate the provisions of the bill. I did, however, want to call the doctor's attention to this provision, because you have certainly by that section, taken away from the Secretary any authority to issue rules and regulations whatever in relation to the taking of Salmon.

Dr. EVERMANN. It seems to me it would be very difficult to think of all the little details or provisions necessary for the proper enforcement and carrying out of the intention of the law; and for that reason it is desirable that the head of the department should be authorized to make such regulations, not inconsistent with the law, as are necessary for the proper carrying out of the purposes of the law.

Senator BOURNE. In six years' experience you have worked out three regulations which you found necessary. If you incorporated those into the law and you found after six years more experience, or 1 year or 10 years, that the law was insufficient it would be easy enough to get a modification of the law if conditions should justify changes being made. But in the first place I believe we should make it as permanent as possible and determine the exact scope of the activity of every interest involved, where it is practicable to do so.

The CHAIRMAN. I am in favor of putting everything into the law that we are satisfied ought to be there, but I can not agree with the Senator that it is always easy to make a change in the law by legislation where it ought to be made.

Senator BOURNE. I do not take the broad stand that it is always practicable, but I do take the stand that it is highly desirable to do so.

Mr. BROWNE. It might be interesting if I suggested this: That when the Treasury Department had control of the fisheries and before my friend Dr. Evermann had control of the fisheries, on one particular occasion a circular of instruction was issued which if we had not been successful in having it rescinded would have cost the Alaska Packers' Association \$100,000 in one season to change their methods of fishing.

The CHAIRMAN. And yet, if Congress had embodied that provision in an act it would have been far more difficult to have had it changed than if it had been a regulation by the department.

Mr. BROWNE. The reason——

The CHAIRMAN. There can not be any difference of opinion in reference to that.

Senator BOURNE. I can not agree with the chairman in reference to that—that there would have been more difficulty in getting a change of that kind in Congress; but in the first place Congress would have been satisfied as to its advisability before going ahead and putting it into the law. Then if it was found that the law should be repealed and that there had been an injury inflicted an equity would have been established and the parties would have been taken care of.

The CHAIRMAN. My experience, Senator, is that Congress has made mistakes in past legislation, and that it has been sometimes difficult to correct those mistakes.

Now, are there any further matters that you want to call attention to in reference to the shell fish, aquatic animals, etc.? We want to be very careful that we do not interfere with the seal law.

Mr. WICKERSHAM. I want to briefly make some objection to the use of the term "aquatic animals."

The CHAIRMAN. You may proceed if you care to do so now.

Mr. WICKERSHAM. It will cover all of the animals in the sea of every variety. It is too broad.

Dr. EVERMANN. We feel that the Bureau of Fisheries should have whatever jurisdiction Congress may confer upon us over all aquatic life, not only salmon and herring and halibut, but shellfish, lobsters, harbor seals, walruses, and whatever lives in the water, including marine algae—vegetation.

Mr. WEBB. Would that include wild fowl?

Dr. EVERMANN. They are not permanently resident in the water.

Mr. WICKERSHAM. I would agree with the doctor about that, but I think if it is done it should be by the passage of a law and not by the rules and regulations of the Secretary. I do not think he ought to be given carte blanche to make laws for the Government of all aquatic animals under that one broad authority.

The CHAIRMAN. I would like to ask you this, Doctor. Of course, this language is extremely broad, unusually broad, here with reference to aquatic animals, etc. Have you in mind any special provisions that you would like to see enacted with reference to the protection of shellfish and other aquatic animals?

Dr. EVERMANN. Yes, sir; we wish to have the Secretary given authority to establish, for instance, close seasons during which the spiny lobster may not be taken, or when the clam may not be taken, to protect them during their spawning period or for any other purpose needful for the protection of the species.

We would also wish authority to establish close seasons when the harbor seals might need it.

Senator BOURNE. Why not specify that and give them that authority? That is all right.

Dr. EVERMANN. That would be an enumeration, then, of the aquatic animals that are not already enumerated in the law, and we did not suppose that would be necessary any more than it would be necessary to enumerate the species of fishes, of which there are several hundred in Alaska.

Senator BOURNE. No; but enumerate exactly what your authority covers. It is all right to give you the authority for preservation in that direction. Why not specify that?

The CHAIRMAN. Specify what shall be the close season.

Dr. EVERMANN. I do not think we are in a position to fix what should be the close season on any mollusk or any crustacean in Alaska at this time.

Senator BOURNE. You have not the information?

Dr. EVERMANN. No, sir; we have not the information.

The CHAIRMAN. Well, have you any other ideas on behalf of the department with reference to these animals that you would be prepared to carry out in a rule or regulation?

Dr. EVERMANN. No, sir; not at this time. There has been no legislation upon the question of shellfish and crustaceans; therefore the department has paid no special attention to them in Alaska because it had no specific authority.

The CHAIRMAN. Well, why have you not studied the proposition with a view to such legislation, aside from giving the Secretary general power to establish such rules and regulations as he might deem advisable?

Dr. EVERMANN. With the three salmon men that we have in Alaska looking after the salmon interests each summer they have not much time for these other questions. We have done all that we could.

The CHAIRMAN. What I mean was a determination as to what rules and regulations are necessary.

Dr. EVERMANN. They will not be established until we find out what they should be.

The CHAIRMAN. Well, I think we have the position of the department on that matter, anyway.

Section 13 provides for definitions of the terms used in this act. Have you any special suggestions to make with reference to section 13?

Section 13 is as follows:

SEC. 13. That for the purposes of this act the following definitions are adopted to apply to the words in question wherever the same shall be used:

"Person," any person, persons, firm, partnership, corporation, association, or society.

"Fish trap," any pound net, fish wheel, or fixed or floating trap, whether constructed of piles and webbing and driven or constructed in the place operated or whether constructed elsewhere and held in place by anchors or moorings, but excluding small fykes or native traps which may be transported in toto by one man.

"Canned salmon," the flesh or body meat of salmon or salmonoid fishes put up in sealed cans, excluding food products prepared wholly from heads, tails, or viscera of fishes the bodies of which have been lawfully utilized.

"Case," forty-eight one-pound cans, or the equivalent weight in cans of other size.

"Barrel," two hundred pounds of fish or fifty gallons of oil.

"Clearwater," the space either lateral or endwise of a fish trap or other fishing appliance within which the setting or operation of other fishing appliances is prohibited.

"Stake net," a net, as a gill net, attached or fixed to stakes or piles so that it will fish.

"Laterally," as applied to the measurement of traps or their clear waters in creeks, channels, rivers, estuaries, lagoons, and the entrances or immediate approaches thereto, in the general direction of the thread of the stream; and in open waters in the direction of the general set of the current.

"Endwise," at right angles to "lateral."

Dr. EVERMANN. I have not with regard to those definitions, Mr. Chairman.

The CHAIRMAN. Mr. Dorr, have you any suggestions to make with reference to those definitions now?

Mr. DORR. Well, there are three definitions in the list that we think are superfluous.

I believe the term "clear water" is not used in the bill anywhere.

Senator BOURNE. What line is that?

Mr. DORR. That is line 15 on page 16 of the composite print; and on line 20 commences the definition of the word "laterally," and on line 25 the word "endwise."

I think those three are superfluous. The first term "clear water" does not appear in the bill anywhere.

The CHAIRMAN. Except in line 21.

Dr. EVERMANN. That probably occurred in an original draft.

Mr. DORR. I do not see that it adds any force here at all.

The terms "laterally" and "endwise" are well known. They do not need any explanation. "Laterally" means sidewise, and "endwise" means what it says—endwise. Moreover, the definition of the term "laterally," as written here, is absolutely impossible of interpretation. Laterally is applied to the passageways between traps or fixed appliances, meaning the side passage, and that is definitely limited by the law or will be. Then this term——

"Laterally," as applied to the measurement of traps or their clear waters in creeks, channels, rivers, estuaries, lagoons, and the entrances or immediate approaches thereto, in the general direction of the thread of the stream; and in open waters in the direction of the general set of the current.

That, if it does anything, changes the ordinary meaning of the term "lateral." If it does not, then it is unnecessary.

Now, if it is intended to change it to correspond with the currents and directions of the streams in the open waters, that is absolutely impossible of application in many places, because those currents are so varied and their directions are absolutely in conflict with each other in many instances. They are in whirlpools, eddies, and in all manner of curious conditions, and it seems to me that the term "laterally" as used in the act itself is amply explicit. It means sidewise.

It has been decided time and again in State courts, as applied to trap laws, that "laterally" means sidewise.

The CHAIRMAN. The word "endwise," I take it, that that same argument will apply to.

Mr. DORR. Yes, sir. With those three exceptions, the other definitions are unobjectionable to us. I think it is a good thing to have them in the law.

Dr. EVERMANN. Your only objection is that they are superfluous?

Mr. DORR. And the definition of "laterally" is too complicated.

The CHAIRMAN. Now, section 14 is the same as section 12 of the present law except that the words "and directed" are inserted.

Section 14 is as follows:

SEC. 14. That to enforce the provisions of this act the Secretary of Commerce and Labor is hereby authorized and directed to make and establish such rules and regulations not inconsistent with law as may be necessary, and to depute, in addition to the employees of the Alaska Fisheries Service now provided by law, from the officers and employees of the Department of Commerce and Labor, a force adequate to the performance of all work required for the proper investigation, inspection, and regulation of the Alaskan fisheries and hatcheries; and he shall annually submit to Congress estimates to cover the cost of the establishment and maintenance of fish hatcheries in Alaska, the salaries and actual traveling expenses of such officials, and for such other expenditures as may be necessary to carry out the provisions of this act.

Dr. EVERMANN. Senator, does not that meet the supposed omission to which you called attention in the previous section, "to establish regulations"?

The CHAIRMAN. The sections may be in conflict there.

Dr. EVERMANN. They give him the authority to establish regulations regarding shellfish.

The CHAIRMAN. That probably is true.

Mr. MOSER. Section 12, page 15, was the other section referred to.

Mr. DORR. I think those two sections ought to be consolidated in some way and brought under the one subject whenever the bill is rewritten.

The CHAIRMAN. Yes; a note will be made of that suggestion.

Now, section 15 is a section not put in by the department, but was put in by me in getting the bill ready for introduction. I would like to know if the doctor has any suggestion that he would like to submit with reference to that section.

Section 15 is as follows:

SEC. 15. That it shall be unlawful for any Asiatic to take fish from any of the waters of Alaska, except for domestic use, and it shall be unlawful for any person to purchase any fish from any Asiatic.

Dr. EVERMANN. That, I believe, was not embodied in the draft prepared by the department. The general purpose of that section would meet my approval.

The CHAIRMAN. Are there any additions that you would care to suggest to its phraseology or to its scope?

Dr. EVERMANN. It seems to be wise, and it strengthens the present law regarding Asiatics.

The CHAIRMAN. Mr. Dorr, what have you to suggest briefly with reference to that? We will not discuss it fully, but I think it well to get the general suggestions with regard to each section as we go along.

Mr. DORR. I do not know that I have any suggestions with regard to that now or that I will have at all. There is only one point that occurs to me now, and that is whether in connection with the act of June 14, 1906, this new section could be held to prohibit the employment of Asiatics in inside work. As a matter of fact, that is the only feature that we are interested in.

The CHAIRMAN. Judge Wickersham, have you any general suggestions?

Mr. WICKERSHAM. I have a large number of petitions from miners in Alaska on that subject, which I will call to the attention of the committee a little later.

The CHAIRMAN. Section 16 seems to be the same as the existing law, with the exception of the last paragraph.

Section 16 is as follows:

SEC. 16. That any person violating any provision of this act or any regulation established in pursuance thereof shall, upon conviction thereof, be punished by a fine not exceeding one thousand dollars or imprisonment at hard labor for a term of not more than ninety days, or by both such fine and imprisonment, at the discretion of the court; and in case of the violation of any of the provisions of section three of this act, and conviction thereof, a further fine of not more than two hundred and fifty dollars per diem may, at the discretion of the court, be imposed for each day such obstruction is maintained.

And every vessel or other apparatus or equipment used or employed in violation of any provision of this act, or of any regulation made thereunder, may be seized by order of the Secretary of Commerce and Labor, and shall be held subject to the payment of such fine or fines as may be imposed.

In case of violation of any provision of this act, by any servant or employee acting within the scope of his employment, and in furtherance of the apparent interests of his employer, both the said servant or employee and the person employing him shall be subject to the penalties herein provided.

Doctor, what suggestions have you to make with reference to that?

Dr. EVERMANN. The thought in my mind there was to find somebody who would be responsible in every case. Difficulty of course always arises when a subordinate is held responsible and the employer is not. This would cause the companies to be more careful that their subordinates complied with the law.

The CHAIRMAN. Have you had any difficulty in the enforcement of the present law?

Dr. EVERMANN. I believe there has been some difficulty; yes, sir.

The CHAIRMAN. What have those difficulties been and what has been the result?

Dr. EVERMANN. I have not it fully in mind now, but there have been cases where the company, as I understood it, disclaimed responsibility for the act of the trap foreman perhaps or the foreman of the seining gang. I can not cite a specific instance at this time, but I think I can supply it to the committee.

The CHAIRMAN. I wish you would look that up so as to get some particular information along this line.

Mr. DORR. We have a very strenuous objection to that provision.

The CHAIRMAN. I supposed you would have; so we will go into that more fully when you make your statement to the committee, Mr. Dorr.

Senator BOURNE. You consider that provision as vital?

Dr. EVERMANN. I regard it as important.

The CHAIRMAN. I wish you would be prepared at our next meeting, Doctor, to give these cases and tell us what action the court has taken if there has been any action taken.

Dr. EVERMANN. I will.

The CHAIRMAN. Section 17 appears to be the same as the present law, section 14.

Section 17 is as follows:

SEC. 17. That the violation of any provision of this act may be prosecuted in any district court of Alaska or any district court of the United States in the States of California, Oregon, or Washington. And it shall be the duty of the Secretary of Commerce and Labor to enforce the provisions of this act and the rules and regulations made thereunder. And it shall be the duty of the district attorney, to whom any violation is reported by any agent or representative of the Department of Commerce and Labor, to institute proceedings necessary to carry out the provisions of this act.

Mr. WICKERSHAM. I am going to offer a suggestion—an amendment—when I get to it.

The CHAIRMAN. Suppose you do it right here, Judge.

Mr. WICKERSHAM. Why not confine it to the district court in Alaska where the act took place? We have four judicial divisions in Alaska, and a man ought not to be dragged from Ketchikan to Nome and tried for something he is charged with doing at Ketchikan, and I think that is true with respect to the other courts in the United States. It ought to be confined to the jurisdiction of the court where the alleged act was committed.

Mr. BROWNE. That is, to the district court where the violation occurred?

Mr. WICKERSHAM. Yes; certainly.

The CHAIRMAN. I think we see the point to that, Judge, and when we go through it more fully you can make your statement on that. I think it would be well for you to have an amendment prepared ready to suggest to the committee.

Mr. WICKERSHAM. I do not know of any instance, Mr. Chairman, where a thing of that kind has occurred; but it might occur.

The CHAIRMAN. Your statement of the proposition almost carries conviction, it seems to me, that something of that kind ought to be done.

Sections 18 and 19 are the same as sections 15 and 16.

Sections 18 and 19 are as follows:

SEC. 18. That all acts or parts of acts inconsistent with the provisions of this act are, so far as inconsistent, hereby repealed.

SEC. 19. That this act shall take effect and be in force from and after its passage.

The CHAIRMAN. That concludes going over the provisions of the bill. Doctor, have you any further suggestions? The hour is growing late, however, and probably we had better close the hearing this morning. At the opening of our next meeting, if you have any additional suggestions you desire to submit to the committee before the other people make their statements, we will hear you.

Dr. EVERMANN. I believe I have no other statement to make, Mr. Chairman.

The CHAIRMAN. Then we will adjourn to meet Thursday morning at 10.30.

Thereupon, at 11.50 o'clock a. m., the subcommittee adjourned until Thursday, May 16, 1912, at 10.30 a. m.

THURSDAY, MAY 16, 1912.

COMMITTEE ON FISHERIES, UNITED STATES SENATE, *Washington, D. C.*

The committee met at 10.30 a. m.

Present: Senator Jones (chairman) and Bourne.

Also appeared: Mr. Ward T. Bower, assistant agent Alaska salmon fisheries, John Sidney Webb, Aldis B. Browne, Charles W. Dorr, J. F. Moser, and George A. Warren.

The CHAIRMAN. Mr. Bower, will Dr. Evermann be here to-day?

Mr. BOWER. Mr. Chairman, Dr. Evermann can not be here this morning. He found it necessary to appear before a committee in the House at 10 o'clock.

The CHAIRMAN. The last section of this bill provides that this act shall take effect and be in force from and after its passage. Do you think that should be left in that way?

Mr. BOWER. We fail to see any reason why it should not be left in that way. The section was prepared with that object in view.

The CHAIRMAN. Could the provisions of this bill be put into effect immediately upon its passage?

Mr. BOWER. They would become operative at once, but of course some of the provisions could not be put into effect immediately. For instance, the marking of stream mouths; but it would be done as soon as possible.

Mr. DORR. How are they going to get their licenses for this year, Mr. Bower?

Mr. BOWER. There would be a reasonable allowance in issuing the licenses in view of the fact that the bill could not become a law until late in the season and after fishing operations were well under way. There would not be much of an attempt to enforce this provision during the current season.

The CHAIRMAN. Do not you think that if conditions should warrant, the insertion of a provision requiring that the act should go into effect six months after its passage, or some provision of that kind, would be advisable?

Mr. BOWER. Yes; possibly, in view of the late date when it will become a law. Of course we drafted this bill some months ago, and we thought it might be acted upon before the beginning of the present fishing season.

Mr. BROWNE. Inasmuch as the act contains penal provisions and changes otherwise existing law, permit me to suggest that you make it operative the first of the next calendar year after its passage. That would give men away off in Alaska now an opportunity of knowing the provisions of this bill when it becomes a law. With that provision all of these men could become acquainted with the law, but if this bill should be passed, for instance, as many such bills are, on the 3d of March, before the time these provisions could become known to these men they would again be in Alaska on the fishing ground without having an opportunity to gain knowledge of the act.

The CHAIRMAN. So that your idea, Mr. Browne, is that the bill should not go into effect until the 1st of January succeeding the passage of the bill?

Mr. BROWNE. That would give every man an opportunity to know the provisions of the law, which, under other circumstances, a good many of them could not possibly know. If passed in its present form it would be unjust to them, and serve no good purpose.

The CHAIRMAN. When do the fishing people begin to make their preparations and begin to go up to Alaska?

Mr. DORR. About the first of the year.

The CHAIRMAN. Not until after the 1st of January?

Mr. MOSER. We make our preparations much earlier. As far as the preparations are concerned, we make our contracts the 1st of September for webbing and netting and things of that kind, and our contracts are all closed before the 15th of December. But the first of the year I think would be an appropriate date, because all the fishing interests are then at home and they would be advised of whatever changes would be provided by the new law.

Mr. BOWER. As I understand the attitude of the Bureau of Fisheries, I think that would be entirely satisfactory. It is our desire to be perfectly fair in the matter.

The CHAIRMAN. Mr. Moser, you may go ahead and make your statement and you may adopt any course you desire.

Mr. BOWER. It was Dr. Evermann's understanding, I believe, that the session this morning would be largely taken up by a statement by Capt. Moser.

The CHAIRMAN. Of course, that will be all right. These gentlemen can take such course if they see fit. Whatever course they may desire to pursue will be satisfactory.

Mr. MOSER. I am ready to proceed, Senator.

**STATEMENT OF MR. JEFFERSON F. MOSER, OF SAN FRANCISCO,
REPRESENTING THE ALASKAN PACKERS' ASSOCIATION.**

Mr. BROWNE. Senator, may I ask, before Capt. Moser proceeds to discuss the bill and for the purpose of aiding the record, that he state his life occupation and experience, bringing it down as far as he cares to.

The CHAIRMAN. Captain, you may proceed.

Mr. MOSER. I want to say that I am here before this committee in the capacity of one engaged in the salmon-canning business in Alaska. I am an officer of the Navy, retired in 1904 after 40 years' service. Since that time I have been commercially engaged in the Alaska fisheries.

During my service I made my regular sea cruises required of officers of the service, and between the cruises I was engaged largely on special work. In the early part of my career I spent four years on the Isthmus of Darien and in Nicaragua in the early explorations for a route for the proposed interoceanic canal. Later I was employed on the coast-survey service between cruises, in all about 14 years, and for nearly 6 years I had command of the *Albatross*, the Fish Commission steamer. That vessel during a portion of that time was employed in the exploration of the Alaska salmon streams and brought me in contact with the salmon interests of Alaska.

I was appointed by Mr. Cleveland a member of the International Fur Seal Commission in 1896 and 1897, and was also engaged in deep-sea sounding and exploration. I was about a year engaged in exploring the South Seas with Mr. Alexander Agassiz, and, as I said before, my service under the Fish Commission was of such a nature as to bring me in contact with the salmon interests of Alaska.

The CHAIRMAN. Whom do you now represent?

Mr. MOSER. I represent the Alaska Packers' Association, of San Francisco.

The CHAIRMAN. Tell what that association consists of.

Mr. MOSER. The Alaska Packers' Association consists of a company that is now operating some 14 salmon canneries throughout Alaska and 3 on Puget Sound.

Mr. BOWER. May I ask Capt. Moser to state to what extent he was identified with the salmon interests of Alaska in the Government employ? I mean how many cruises did he make to that region, what length of time was spent there, and what reports were submitted?

Mr. MOSER. I was employed in Alaska while on Fish Commission service during the summer of 1896 in connection with the fur seals, on which occasion I went north with the international commission, and later went to the Asiatic side to examine the Japanese and Russian interests in the fur seal. In 1897 I commenced the exploration of the salmon streams of Alaska; conducted those explorations during the summer of 1897. During 1898 of course the War with Spain intervened, and no operations were conducted at that time. In 1899 I was engaged in exploring the South Sea islands. In 1900 and 1901 I again was engaged in exploring the salmon streams of Alaska.

Senator BOURNE. All the time for the Government?

Mr. MOSER. For the Government; yes, sir.

Mr. BOWER. Summer cruises were made, I believe.

Mr. MOSER. Yes; summer cruises.

The CHAIRMAN. What did these explorations consist of, Captain?

Mr. MOSER. At that time, Senator, very little was known of the salmon interests and the salmon streams of Alaska.

My orders were rather of a general nature; to visit the different streams and ascertain their condition and the general interests in Alaska in connection with the salmon fisheries. My reports were rather voluminous and I think they were appreciated, for they were published in two volumes and were largely illustrated. There is one here that contains many illustrations of the fishes.

The CHAIRMAN. Just identify that report in the record, Captain, so that we can look it up if we should want to.

Mr. MOSER. Yes, sir. This one is entitled "Alaska Salmon Fisheries, 1899." That was the date of publication, but the exploration took place in 1897.

The other is entitled "Alaska Salmon Investigations, 1900 and 1901."

Mr. BOWER. That was your last cruise to Alaska, was it not, Captain?

Mr. MOSER. That was my last cruise to Alaska in an official capacity for the Government.

Senator BOURNE. Did you sever your connection with the Government then?

Mr. MOSER. I retired in 1904 to take a position with the Alaska Packers' Association.

Senator BOURNE. Which you have held ever since?

Mr. MOSER. Yes, sir.

Senator BOURNE. What capital has the Alaska Packers' Association?

Mr. MOSER. Our capitalization, January 1, 1912, was \$5,750,800 in paid-up stock and \$1,078,000 bonds, making a total of \$6,828,800.

Senator BOURNE. Represented exclusively by investments in Alaska?

Mr. MOSER. No; that includes also investments on Puget Sound.

Senator BOURNE. What is the amount of the Alaska investment?

Mr. MOSER. In round figures the properties in the States of Washington and California amount to \$1,000,000; Alaska canneries, \$3,100,000; Alaska fleet, \$1,350,000; and Alaska hatcheries, \$300,000.

Senator BOURNE. Virtually, then, \$5,000,000.

Mr. MOSER. Virtually \$5,750,000 investments.

The CHAIRMAN. What does your fleet consist of, Captain?

Mr. MOSER. Our fleet consists of 24 large sailing vessels and about 60 steamers and launches. I think in connection with that I would like very much to show you what is necessary in the transportation way to carry on work of that kind. This [indicating] represents our sailing fleet of about 30 vessels. This [indicating] is our shipyard in Alameda, which we maintain exclusively for our fleet—Alameda, Cal. This represents our plant. We have our own machine shops; our own woodworking shops; we do all our own repairs; build our lighters and boats and build our own machines and machinery.

The CHAIRMAN. How many men do you employ?

Mr. MOSER. We employ during the winter from 275 to 300.

The CHAIRMAN. Do they work on any other work excepting your own vessels?

Mr. MOSER. None whatever. This [indicating] is our fleet. We have dredged this space here. That is the largest fleet of sailing vessels under one company in the world, I think.

The CHAIRMAN. How many sailing vessels have you?

Mr. MOSER. We have them all here except 3, and we have 21 in there. There are 7 steamers that come from Alaska. The other steamers are all hauled out in Alaska.

Mr. BOWER. This is at Alameda, Cal.?

Mr. MOSER. Yes, sir; Alameda, Cal.

Senator BOURNE. How many men do you employ in the summer-time?

Mr. MOSER. In the neighborhood of 4,000.

Senator BOURNE. Your pay roll for the season in Alaska is what?

Mr. MOSER. I could hardly state what that is. The amount is very large, Senator Bourne. My work is the manufacturing end, and I do not know very much about the book keeping end of it.

Senator BOURNE. What do you figure your cost is per annum on an average in Alaska for your company?

Mr. MOSER. I think I can give you the value; I have not with me our summary. Have you one of our statements, Mr. Browne?

Mr. BROWNE. We will insert that in the record.

The CHAIRMAN. You can do that or bring it with you to-morrow.

Mr. MOSER. You mean the value of our output?

Senator BOURNE. Yes. But particularly what I want to get at is your expenditures. What is your average pay for your 4,000 employees up there during the season and per individual man?

Mr. MOSER. We aim to have the fishermen receive not less than \$300 for the season. They do make as high as \$650 and \$700.

Senator BOURNE. Can you put it on a per diem basis or have you the data that will enable you to give that?

Mr. MOSER. That is difficult, Senator, some men are paid by the fish. In some instances they are paid by the case.

Senator BOURNE. I see.

Mr. MOSER. It would be difficult to make up a particular man's share. They also receive some money for the run. They get so much a run. Usually in Bering Sea it is \$100 for the run—that is, they handle the vessels up and down and they get so much for fishing.

Senator BOURNE. You say you aim to give them a season run of \$300 and some of them make as high as \$650. Have you any idea as to what the average would be per man? Four hundred dollars per man?

Mr. MOSER. I should say about that.

Senator BOURNE. So that practically you expend in Alaska \$1,600,000 for labor?

Mr. MOSER. I should say it was a smaller amount than that.

Senator BOURNE. That is what I am trying to get at.

Mr. MOSER. Throughout Alaska the wages to men paid was over \$3,000,000. I can give you that in a moment.

Senator BOURNE. The wages of the fishing interests in Alaska?

Mr. MOSER. Amounted to \$3,301,859 for 1910, according to Fishery Document No. 746. That is divided among 5,045 whites, non-residents \$1,525,802 and residents \$354,303.

The CHAIRMAN. That is, when you say nonresidents you mean non-residents of Alaska?

Mr. MOSER. Of Alaska; yes, sir. Natives—12,765 natives received \$399,142. There are 2,389 Chinese, who received \$551,795, and the others, Japanese and Filipinos and other cannery hands, all other nationalities, \$630,797. In all, the number of persons employed, 12,431.

Senator BOURNE. \$3,000,000, in round numbers, was expended for labor?

Mr. MOSER. Yes, sir.

Senator BOURNE. How much do the Alaska fishing interests expend in supplies annually? Have you that data?

Mr. MOSER. No; I have not. But I can give you the profits we make per case.

Senator BOURNE. And work it down. Suppose you give us that data. You have given the annual expenditures for labor; then, what are the annual expenditures for supplies, which supplies are purchased outside of Alaska? What are your annual estimated expenditures for betterments, improvements, and maintenance outside of your labor and supply cost? My idea is to get the scope of your operations, the extent of your activity, for all the interests involved, from a dollar standpoint.

Mr. MOSER. I have drawn up a statement here as to the net selling value of the whole pack of Alaska for 1910. It was \$10,568,985.20.

Senator BOURNE. Your profit on that was what?

Mr. MOSER. The total profits on that, net profits to the canners, was \$1,191,455.90.

Senator BOURNE. Are your overhead charges—capital charges, depreciation charges, and so on—taken into consideration in that calculation?

Mr. MOSER. They are taken into that calculation. That is to say, we included fire insurance, marine insurance, transportation charges, southeast Alaska, transportation of men, depreciation, taxes, fleet towage and harbor dues, winter repairs on transporting vessels, and so on.

Mr. BOWER. Those figures relate to the entire pack in Alaska. You are differentiating now between the operating expenses of the Alaska Packers' Association and the total pack of salmon?

Senator BOURNE. These figures represent Alaskan operations.

Mr. MOSER. That is true, of course. Mr. Chairman, we will have that filed.

The CHAIRMAN. Of course, we want that. I suppose you have mapped out your line of statement, so I think probably we had better let you proceed.

Mr. MOSER. I would prefer to do that, because I would have a certain continuity in my remarks.

The CHAIRMAN. I think that would expedite matters and probably get it in better shape.

Mr. MOSER. It occurred to me, Mr. Chairman, in starting out, that while Senator Bourne and yourself are from the coast and understand probably the habits of the Alaska salmon, yet to those who do not I think it might be well if I said a few words in regard to the different species.

The CHAIRMAN. I think you ought to present matters here, Captain, very much on the theory that we do not know very much about it. There may be a great many in the Senate who do not know very much about it.

Mr. MOSER. I think the average man in the East, when you speak of salmon, is apt to imagine it to be the Atlantic salmon, which is a comparatively scarce and very high-priced fish and which differs materially from the Pacific coast salmon.

We have on the Pacific coast five species of salmon proper. There is a sixth called the steelhead, which is now classified under the trout species and whose habits differ from the Pacific coast salmon in this, that the Atlantic coast salmon and the steelhead when they enter the river to spawn return to sea after spawning, whereas the Pacific coast salmon—the five species—after they have spawned and perform that function in life, all die. To bring out that point, it might be well if I referred briefly to their habits.

We have on the Pacific coast five species of salmon proper, as I said. The first of these is known generally as the king salmon or tyee. It is also known as the Sacramento River salmon, the Columbia River salmon, and is the largest salmon on the Pacific coast.

The CHAIRMAN. All of those terms apply to the one species.

Mr. MOSER. Yes, sir; they have different names in different localities. It is a large fish which runs abundantly in the Columbia River, the Sacramento River, and it is also found as far south as Monterey Bay.

The CHAIRMAN. Give the size in pounds.

Mr. MOSER. They average $22\frac{1}{2}$ pounds in the Columbia River, although in Alaska they average slightly more.

The CHAIRMAN. What is the extreme size?

Mr. MOSER. I have heard of a king salmon which weighed 100 pounds. The largest, however, that I ever saw weighed 75 pounds, and that is a large fish. A 40-pound salmon is a large fish.

Senator BOURNE. That is what is known as the Chinook?

Mr. MOSER. Yes, sir; that is what is known as the Chinook. The royal Chinook. They are all the same.

It is generally said the Columbia River salmon, of which I spoke, is a better grade fish than the Alaska king salmon. Personally, I think there is no difference, but they are not abundant in Alaska. I think 40,000 cases would probably be packed in Alaska, so that the market price has never reached that of the Columbia River fish, for the reason that you can not make a market for the Alaska king salmon and hold it.

Senator BOURNE. What is the extent of the range of the king salmon in miles along the coast; that is, how far south and how far north are the same king salmon found, in miles?

Mr. MOSER. You mean how far would an individual travel? I do not think, Senator, that there has ever been any data on that subject.

Senator BOURNE. Well, presumably they would travel the whole length of the area in which you find them. In other words, if you found them as far south as Monterey Bay and you found them up in the Bering Sea they would travel these thousands of miles distance between those two points.

Mr. MOSER. We generally believe that the young of the salmon, when they go to sea, lay off the edge of the continental plateau and feed off the feeding grounds. They are never seen at sea nor have they ever been caught at sea. Like all the migratory fishes, the shad, herring, and mackerel, they are never found at sea. When they go to sea that is the last of them that we know of, but when the on-shore movement of the salmon commences my theory is that it commences to the westward along the Aleutian Island, because in the rivers along the Aleutian Islands they are found in the early part of May; at Kadiak Island in the latter part of May.

I think I had better have a chart when I speak of these places. I have one here.

Senator BOURNE. The particular point on which I desire information is this: In your judgment, the king salmon ranges 3,000 miles along the coast?

Mr. MOSER. I do not think they have that extreme range. Individuals might range that far. Individual fish might get out of their bearings, just as they do on the east coast here.

I was engaged for a number of years—many years—on coast-survey work, where I became acquainted with the fishes on the Florida Reefs, for example. I also worked on the New England coast, and occasionally I would find an individual on the New England coast that did not belong there at all. He belonged down on the Gulf; but I do believe that the salmon have a very much wider range than we have given them credit for. I believe that salmon from Alaska range over to the Siberian coast, because the rivers of Siberia contain the same salmon as we have on our side, and in greater abundance than we have them.

Senator BOURNE. What do you believe the cause of the range is?

Mr. MOSER. Well, that brings in the question of the salmon in Monterey Bay, for example. Those salmon probably belong, or will eventually go, into the Sacramento River. This is a very small-scale chart. Here is Dixon entrance, the southern entrance of Alaska, and the Aleutian Islands here [indicating]. Right there, in my opinion, commences the movement. It gradually moves to these islands here, because we have records of the sockeye salmon in these islands, and a little later along here; whereas on this side they come a little later.

The early part of May we have runs here [indicating]. The later part of May here [indicating]; whereas in southeast Alaska they do not appear until the 20th of June.

The CHAIRMAN. And in Puget Sound and at the mouth of the Frasier River when do they appear?

Mr. MOSER. In July.

Mr. BOWER. The earliest pack in Alaska is made in May on Prince William Sound.

Mr. MOSER. That is king salmon.

Mr. BOWER. According to present records the earliest pack of sockeyes in Alaska is made in Prince William Sound; and the Cook Inlet region follows soon after.

Mr. MOSER. The first salmon that come in all along the coast are king salmon, which come in as soon as the ice leaves and permits them to enter. They are followed usually by the sockeye. There are individual cases where a few sockeyes do come in. There are early runs of sockeye in the Copper River; but it is not at all general. The earliest period that sockeye appears in this section of Alaska is the 20th of June, although I have seen a few individuals at Karta Bay June 15. They appear later in the Puget Sound region.

The CHAIRMAN. You find the king salmon how far south?

Mr. MOSER. As far south as Monterey Bay.

The CHAIRMAN. And how far north?

Mr. MOSER. Well, we find them as far as we go. I think they are in the Arctic Circle. I should not be at all surprised if they were found in the Mackenzie River. The range is all along the coast.

Mr. BOWER. As to the migrations of the king salmon, I can give a very interesting incident that came to my attention two years ago at Nushagak, in the Bering Sea region. During the latter part of July I met Mr. J. P. Haller, manager of the North Alaska Salmon Co., and he showed me a hook of very peculiar design that had been taken from the mouth of a king salmon that day by one of his fishermen. Upon subsequent investigation I found that that particular hook had been made at Ketchikan, and the opinion was strongly expressed that it had been lost by a fisherman trolling in that region. Of course, this is merely circumstantial evidence.

Senator BOURNE. What is the distance between those two points?

Mr. BOWER. I should say, offhand, about 1,800 miles.

Mr. MOSER. The distance that fish would have to travel would be about 2,000 miles.

Mr. BOWER. Of course it is possible that some one else took a hook of that kind north to the Bering Sea region.

Senator BOURNE. Is much trolling done in the Bering Sea region?

Mr. BOWER. There is no record of trolling in that region, though there is hand-line fishing for cod. The maker of the hook, Mr. P. G. Shark, of Ketchikan, gave me the information, and he expressed the opinion that the hook had been lost off Ketchikan or in that vicinity.

Senator BOURNE. Now, your five species of salmon are all migratory? They all have the same habits?

Mr. MOSER. Yes. They all have practically the same habits.

Senator BOURNE. They follow the sea?

Mr. MOSER. Yes; the king salmon, however, is found in the inland waters. The food of the king salmon is herring and small fishes, and they are found nearer the shore in the inland waters more frequently than the other species.

Senator BOURNE. All the five species take the same food, the only difference being the size of the fish themselves?

Mr. MOSER. I do not think it is well known what food they have. We do know the king salmon takes the smaller fishes; but I do not think we know what the food of the sockeye or the other species is, because when they come in and ascend the rivers or school around the entrances they take no food or practically no food until they

have spawned. Their stomachs become very much contracted and the fish become emaciated.

Senator BOURNE. Their itinerary is based entirely on food supply and the spawning ground?

Mr. MOSER. Entirely.

Senator BOURNE. That governs it and nothing else?

Mr. MOSER. Entirely although it is my theory at least that the number of salmon that may be produced from a given spawning region is only limited by the amount of natural food which that region produces for the young.

Senator BOURNE. Is the most extensive and richest feeding ground off the mouth of the Columbia River, as far as you know?

Mr. MOSER. Senator, I do not think that the feeding grounds are known at all.

The CHAIRMAN. That is, as I understand, Captain, after the fish leave the spawning ground you do not know where they go?

Mr. MOSER. We do not know where they go.

The CHAIRMAN. And you do not get any trace of them until you discover them coming back?

Mr. MOSER. Yes.

The CHAIRMAN. They go back to the spawning grounds and die?

Mr. MOSER. Yes, sir; they go back to the spawning grounds and die.

Senator BOURNE. They probably go out to deep water.

Mr. MOSER. They probably haul off, I should say, to the edge of the continental plateau somewhere. It may be to 100 fathoms, but I doubt if they go beyond that depth, as the fish do not show evidence of having sustained a greater pressure than that, and fish that I have examined I do not think have been under even that great pressure.

The CHAIRMAN. But apparently they never have been discovered anywhere in their deep-sea habitat?

Mr. MOSER. No.

Mr. BOWER. I would like to state that an interesting fishery has developed off Forrester Island, in southeast Alaska, within the last few years. It is claimed by the fishermen who go to that region that they have discovered the natural feeding ground of the King salmon.

Senator BOURNE. You do not imagine that is the same feeding ground—that all the king salmon use that ground?

Mr. BOWER. It is probably for the fish in that region of Alaska. But in the light of present knowledge any opinion is purely theoretical. I made casual inquiries there last fall and the fishermen told me that all of the king salmon they got contained herring. So the assumption is that they were feeding there. It is the intention of the Bureau of Fisheries, I believe, to investigate that fishery this summer.

The CHAIRMAN. Do they catch those fish outside of the running season?

Mr. BOWER. They catch them a little earlier and subsequent to the spawning season. I assume you mean by "running season" the spawning season?

The CHAIRMAN. No; what I mean by the running season is when they are coming in to the spawning ground. Do they catch them

outside of that season? That is, I gather that these fish after they start to sea go somewhere and disappear for a year or two years or even three years. Then they return. Now, then, do they discover these fish anywhere during that mysterious season?

Mr. BOWER. My understanding is that this fishery which has developed off Forrester Island covers a part, at least, of that period.

The CHAIRMAN. And they have caught the fish there outside of the regular running season?

Mr. BOWER. They got the fish there outside of the regular running season, so far as it had been known previously. That is my understanding of the situation. However, we intend to investigate the matter at an early date.

Mr. DORR. If I may be permitted to interject, in answer to Senator Jones's question, they are catching king salmon in quite large quantities in a large district in southeast Alaska practically all winter, but that is of recent development. Apparently they did not know formerly that they could catch them so early in the spring.

Mr. BROWNE. That would be the matured salmon?

Mr. DORR. Yes, the big fish; and they have made it a commercial business there, shipping them down to Seattle and coast points.

Mr. BOWER. That is only in the last two or three years?

Mr. DORR. Yes; that is only in the last two or three years.

Mr. MOSER. It would be my judgment that the king salmon that has been spoken of now as being in the vicinity of Foresters Island and also in the inland waters of Alaska was the advance of the on-shore movement of these salmon, maturing, ready to enter the rivers for spawning purposes. We have had in Monterey Bay for very many years trolling for king salmon. It was found there that they follow the sardines, and wherever the sardines go there the salmon go. We always believed, at least, that those salmon were destined to go up the Sacramento.

The CHAIRMAN. Have you any data showing how long it is after the king salmon goes to sea before he gets back?

Mr. MOSER. The only data we have with any degree of accuracy on any salmon at all is in relation to the sockeye. We have some very good data on them, and it was found that they will return in four, five, six, or seven years. They appear to mature at different ages.

The CHAIRMAN. But you have no data with reference to the king salmon?

Mr. MOSER. We have none whatever.

Senator BOURNE. Captain, presumably is not this the case, as long as we are theorizing—you have a very large number of spawning grounds available within 4 or 5 miles of the coast line, have you not?

Mr. MOSER. Yes.

Senator BOURNE. Now, that being the case, the salmon follow the feed, and that regulates where the salmon will be found, because the feed is migratory as well as the salmon themselves.

Mr. MOSER. Yes.

Senator BOURNE. Now, they may have different spawning grounds, because in certain years the feed may be in different localities, and after they have got their feed they take the nearest available spawning ground. Now, after they have spawned and they go into the

deeper water, is it your judgment that it may be several years before they return, or do not they return when the season closes again?

Mr. MOSER. Well, I think they go to that feeding ground and return when they mature. I think that probably the salmon have a sense which we do not possess and therefore can not appreciate. I think that when the on-shore movement commences they probably scent the fresh water, wherever that may be, and they follow this fresh-water scent, and, if conditions are such as to permit, they enter the streams. I am referring to temperature and ice conditions. They will enter the nearest stream if possible.

I have seen, however, schools of fish in which there were a number that appeared as if they had already been in fresh water somewhere and had left fresh water and had gone to some other place. They had traveled after they had arrived at a certain period of maturity for spawning purposes. The fact is, Senator Bourne, it is a very difficult matter to get any accurate information in regard to an object that moves in the waters where it can not be followed or traced, and we really know very little about the salmon. We know certain things about their spawning conditions and the hatching of eggs and so on, but when they leave us as fry or fingerlings and go out to sea we have never found them until they return inshore.

The CHAIRMAN. We may be bothering you, Captain, but this is very interesting. How large are the salmon after they are hatched in the natural spawning ground before they start out to sea?

Mr. MOSER. When the salmon comes from the egg he is a little worm-like wriggler that has attached to his belly a portion of the egg which is called the egg sac.

Senator BOURNE. That is his feed?

Mr. MOSER. Yes, sir; that is his feed. He lives on that probably six weeks. Under natural conditions he is in the gravels, buried sometimes quite deep. He works his way, as the egg sac is absorbed, to the surface and you will see them come out sometimes for a moment and dart at small objects in the water. The instinct of self-preservation is inherent with them. In a few days, or it may be a week, they gain a little more confidence in themselves and come out of the gravel and remain a little longer, and finally get so that they remain out of the gravel altogether and become free swimmers. It takes some little time before they are really of any length or arrive at the fingerling stage. When they arrive at a length of about $2\frac{1}{2}$ inches they become yearlings—is that right, Mr. Bower?

Mr. BOWER. They will average nearly that when they go to sea—the so-called yearlings.

Mr. MOSER. The young of different species differ somewhat in the time in which they go to sea. Observation by the Fish Commission has shown that the king salmon—in fact all the different species of salmon excepting the sockeye—go to sea as soon as they are free swimmers. They go to sea very early in life. The theory is held by some fishery experts that the sock eye fry does not go to sea the spring following the advent of the parent fish but remains in the fresh waters until the following spring. There have been cases, however, where, during the spring, the small sockeye that has just come from the egg and is able to support himself and the yearling go to sea together. The movement of the sockeye fry seaward is not well understood.

The CHAIRMAN. Now, Captain, you may proceed with your statement.

Mr. MOSER. I simply want to say in addition that the king salmon is not abundant in Alaska. It is found scatteringly. Forty-thousand cases, I think, would cover the catch of king salmon in Alaska.

The CHAIRMAN. That would be how many fish?

Mr. MOSER. About two and a half and three to the case.

The next fish in commercial value is the sockeye, although I would not say that it has the choicest flesh, because I prefer the coho to the sockeye; but the sockeye, which is the blue back of the Columbia River, has a very deep red color and people generally seem to eat more with their eyes than by taste and they prefer the red color of the sockeye and hence the greater commercial value of that fish.

The CHAIRMAN. It might be well to give the different commercial terms applied to the sockeye.

Mr. MOSER. The sockeye is also known as the red fish of Alaska; the blue back. The technical name is *Oncorhynchus nerka*.

Senator BOURNE. Is that an Indian name?

Mr. MOSER. It is a Russian name.

Mr. BOWER. The term "*nerka*" is of Russian origin.

Mr. MOSER. The salmon are still known by some people by their original names. The King salmon is known as the *Oncorhynchus tshawytscha*; the humpback is known as the *Oncorhynchus gorbuscha*. I notice in some of the consular reports that the Russian terms have been retained.

I was going to say that the sockeye or the redfish of Alaska is the one most sought after and is probably the most abundant and commands the highest price of the Alaskan species.

Senator BOURNE. Higher than the king?

Mr. MOSER. Yes; higher than the king or about the same as the king. Usually higher than the king, because we have not been able to get enough king salmon to make a market and to hold that market.

Mr. BOWER. The difference is very slight, Capt. Moser.

Mr. MOSER. It is at present. Several years ago, however, the king was lower than the sockeye.

There is another fact about the king salmon which is somewhat curious, and I do not think it is known generally. You will find a great many king salmon whose flesh is white, and I have seen individuals where one end of the fish was red and the other end was white, and I have also seen them where sidewise there are blotches of white mixed in with the red. These white king salmon are not of very great value. In fact, in our canneries we pack the white king in with the pink because they do not open well. But they are good. I have eaten them repeatedly, and as far as the taste goes it is equal to the red salmon.

Senator BOURNE. Have you found in your experience, Captain, much cancer among the fish?

Mr. MOSER. I have not; never.

Senator BOURNE. You have never found any?

Mr. MOSER. No.

Senator BOURNE. That seems to apply to the trout.

Mr. MOSER. I understand the Fish Commission has experts at work on the cancer theory.

Then the next species of salmon——

The CHAIRMAN. What is the range of the sockeye?

Mr. MOSER. The range of the sockeye in Alaska is from Dixon Entrance as far north as we fish—Bristol Bay.

The CHAIRMAN. How far south?

Mr. MOSER. Well, sparingly only as far as the Columbia River. I think we have very few bluebacks in the Columbia River, not enough to make much of a pack there. In abundance they commence in Puget Sound and the rivers there, and then extend north. They have been found in the Yukon River. Whether they extend as far north as the king salmon, I think is doubtful.

The CHAIRMAN. What is their average size? You might bring that in.

Mr. MOSER. I should say their average weight would be $6\frac{1}{2}$ pounds. We usually measure our salmon by the case—so many to the case. I should say that 12 and $12\frac{1}{2}$ to the case would be a good average.

The CHAIRMAN. And what is the range of size in the sockeye?

Mr. MOSER. Well, I have seen exceptionally small sockeyes. I have seen sockeyes as small as 2 pounds, but they seemed to be exceptional.

The CHAIRMAN. What was the largest one?

Mr. MOSER. I have seen them as large as 10 pounds. There are some streams that run quite large sockeyes. It is a strange feature in regard to the salmon that at times you frequently find a large number of small sockeyes, all males and all matured. I have seen them in large numbers occasionally. They seem to mature earlier than the females.

The CHAIRMAN. How do you determine that the salmon is matured?

Mr. MOSER. By the flow of the eggs or the milt after examining the eggs. I have noticed, in connection with that question, in examining the dead salmon after spawning, and they are thrown out by the wind and the sea on the beaches, where I have seen windrows of dead salmon probably 50 or 100 feet in width, and have opened them to see the spawn, I have been surprised on several occasions to see the number of dead salmon that have not spawned. I attributed that either to some internal obstruction or in passing the falls or ascending the rivers over the rapids by which they would frequently injure themselves to such an extent that they died before they were perfectly matured.

Senator BOURNE. What is the ordinary period for maturity for a salmon?

Mr. MOSER. About four years, I should say; four to five years.

Senator BOURNE. Have you any idea or data to show the life of a salmon—how long he lives?

Mr. MOSER. No; we have no data. We marked some of the sockeye fry when they went to sea and then noted the recovery of those marked salmon upon their return.

Senator BOURNE. How long was the length of the life of those salmon?

Mr. MOSER. Four years; five, six, and seven years.

Senator BOURNE. That is the limit, so far as reliable information goes?

Mr. MOSER. Yes; but it is believed, however—and these observations that we had were only on sockeye—that the humpback salmon is not very old. In fact, I have heard it suggested that the humpback is only about 2 years old. We hatch only sockeyes, except a few silver salmon or cohoes. On account of the large runs of humpbacks every two years on Puget Sound the two-year theory has been advanced. Last year we had a large humpback run on Puget Sound. This year we will not look for many. But next year we will look for another large run there. That has occurred so regularly that that theory has been advanced for humpbacks.

The CHAIRMAN. How long do they get?

Mr. MOSER. They do not get very large.

Then they become very much deformed after entering fresh water. I have here a picture of the humpback that might be interesting to you. Here is a picture [indicating] of two humpbacks. Their form changes materially after their arrival in fresh water. Some become very much deformed. They are called humpbacks because when they arrive in fresh water from the sea they are like this [indicating]. Later the males develop a hump like this [indicating]. They also, if you will notice, have a hook jaw. Their teeth grow quite prominent and when a salmon of this kind is canned it is just a bit watery and for that reason it is of a lower grade. If the humpback is canned fresh from the sea, it makes a very excellent fish, but it deteriorates very rapidly after arriving in fresh water.

The CHAIRMAN. Referring to the life of the salmon, how long does the salmon live after it has spawned?

Mr. MOSER. I should say they may live for several weeks. I have waded up to the spawning ground, where the females were hovering over the so-called nests, and I could take them and turn them over belly up and they would just have strength enough to recover themselves and get upright again and not strength enough to move out of the way. They simply decay slowly until life is extinct and the current or the wind carries them away.

The CHAIRMAN. So that their life is very short after the spawning is over?

Mr. MOSER. It is short; yes.

The CHAIRMAN. Now, you have covered the king and the sockeye.

Mr. MOSER. The next species in value is the coho or the silver salmon, known by different names along the coast. In some places it is also called the tyee. "Tyee" is simply a term which means "chief" and in localities where the king salmon is not known they have called the silver salmon the tyee because it is the principal fish of that region.

Mr. BOWER. Medium red is the common trade name.

Mr. MOSER. Yes; "medium red" is the common trade name. The silver salmon is scattered over Alaska sparingly. They do not occur very abundantly anywhere. The next salmon is the humpback, which is, next to the sockeye, the salmon of most commercial importance in Alaska, because they occur very abundantly.

The CHAIRMAN. What names are applied to them?

Mr. MOSER. The humpback is also known as the gorboscha. I do not recall now whether there are any other names.

Mr. DORR. Commercially they are called "pinks."

Mr. MOSER. Pinks, yes; commercially, pink salmon. They occur on Puget Sound and north as far as Bering Sea. Whether they extended up to the Arctic Circle or not I do not know.

The next and the last grade is the dog salmon, or the chum. The dog salmon is considered rather a low grade of salmon, and yet when it comes in from the sea it is a bright silver color and its flesh is good and firm. I have eaten the flesh and it is very good; but it deteriorates very rapidly.

The CHAIRMAN. That is, they deteriorate rapidly in fresh water?

Mr. MOSER. Yes; in fresh water they deteriorate rapidly. And in cooking it becomes rather a yellowish pale color, which is not very attractive in the cans.

Now, I may say this, too, in coming back for one moment: The king salmon is believed ordinarily to ascend only rivers fed by glacial waters. Does that theory still hold?

Mr. BOWER. Not entirely, I believe.

Mr. MOSER. I do not know of any stream in which king salmon run that is not fed by glacial waters.

Mr. BOWER. How would you regard the Sacramento River, for instance, which has a heavy run of king or Chinook salmon?

Mr. MOSER. Some glacial waters flow into the Sacramento River in the upper reaches.

Mr. BOWER. Then undoubtedly the statement that they ascend only streams fed by glacial waters holds true.

Mr. MOSER. The sockeye does not enter and go up any stream that has not a lake source, and it prefers to spawn in the feeders of that lake, although they do occasionally and rarely, where the conditions are favorable, spawn on the lake shelf; but not usually.

The CHAIRMAN. Are they never found in a stream that does not have a lake at its source?

Mr. MOSER. I have never found them.

The CHAIRMAN. So they must have some means of determining on approaching the mouth of a stream whether or not it has a lake source?

Mr. MOSER. I have always been able to tell, in my examination of the streams in Alaska, as soon as I entered, whether or not the water of that stream was liable to carry sockeyes, because the water from the lake's source is usually of a brownish color. It is clear, but it has a brownish tint. If I entered a stream that ran perfectly clear, white water, I was very sure there were no sockeyes in that stream, and they may have some similar distinguishing ability. There is a certain amount of decomposed vegetable matter in the lake that flows in the streams and causes this discoloration.

Senator BOURNE. Is there any preponderance of either sex among the salmon?

Mr. MOSER. I think not.

Senator BOURNE. They are about equal?

Mr. MOSER. Yes; they are about equal.

Senator BOURNE. How many eggs will a female salmon have?

Mr. MOSER. They have about 3,500, but we get in our hatcheries about 2,600 or 2,700. I think between 2,600 and 2,700 is the average we get from the female salmon.

Senator BOURNE. Out of the 3,500 eggs, how many fry do you get?

Mr. MOSER. Under natural conditions?

Senator BOURNE. Under natural conditions.

Mr. MOSER. I do not believe that under natural conditions you will get more than 5 or 6 per cent.

Senator BOURNE. How much under artificial conditions?

Mr. MOSER. Under artificial conditions I do not think we lose more than 10 per cent.

Senator BOURNE. In other words, you get 90 per cent?

Mr. MOSER. We get 90 per cent; yes.

Senator BOURNE. Now, you think the life of the salmon is about 7 years?

Mr. MOSER. The extreme life; yes, sir.

Senator BOURNE. The extreme life.

Mr. MOSER. I think the great bulk of them come back in four years.

Senator BOURNE. According to your tables here of your fishing industry, of the Pacific coast salmon you packed in 10 years forty-two million and a quarter cases, having an average of about 10 fish to the case.

Mr. MOSER. It would be a larger number than that, Senator.

Senator BOURNE. Would it be more than 10 fish to the case?

Mr. MOSER. Yes, sir; pinks will run 15 or 16 to the case. I think reds will run 12½. I should say the average would be 14 or 15.

Senator BOURNE. They certainly would not run over 15?

Mr. MOSER. Not over 15.

Senator BOURNE. You would be figuring against yourself if you said more than 15. Then you got in 10 years, under this estimate, 633,840,075 fish on the whole Pacific coast, according to these data here. Allowing 15 fish to the case, if half your fish are females, and you have 3,500 eggs to the female, and 5 or 6 per cent net of those will make new fish, and they only live 7 years, as far as the conservation of the industry is concerned, it seems to me it is negligible.

Mr. MOSER. I do not know just what the data you are working up is, but I took the number of fish from the fisheries report in 1906, 1907, 1908, 1909, and 1910, and the average number of salmon taken from Alaska in those five years was 37,000,000.

Senator BOURNE. That is, of fish.

Mr. MOSER. Thirty-seven million fish?

Senator BOURNE. Take your 37,000,000 fish, with 7 years maximum life, and 3,500 eggs, 6 per cent net natural conditions resulting in new fish, I do not see that your fishing is going to deplete the supply at all.

Mr. MOSER. I do not think it has materially, Senator.

Senator BOURNE. I do not see how it can.

Mr. MOSER. I do not think it has materially. There are failures occasionally, as there are all along the coast. You may have a failure in a stream here and there now and then.

Senator BOURNE (continuing). And it seems to me that there is waste there because of the life of the fish itself, and it would be just from every standpoint to have a larger food supply and a larger revenue and a larger expenditure.

Mr. MOSER. I think if the fisheries can be increased so as to furnish a larger food supply it would solve the present food problem—the high prices—because fish is always a cheap article of food.

The CHAIRMAN. You were about to tell us of the spawning habits of the salmon.

Mr. MOSER. I was going to say something in reference to their spawning habits. When the salmon come in to spawn they school around the mouth of the streams until, for some reason or another, they all suddenly ascend the stream. They will be at the mouth of the stream in a large school one night and the next morning they will all have gone up.

They play around the waters near the spawning beds until they arrive at the period when they deposit their eggs. Take, for example, the sockeye. The sockeye prefers a stream that is a feeder of a lake; a stream $2\frac{1}{2}$ or 3 feet in depth with a gravelly bottom, with a gently flowing current. When the female gets over the point that is selected by her, she runs her nose down into the gravel and lifts the gravel up and throws it away from her and in that manner she scoops out a hollow place probably 8 or 10 inches in depth and about 2 or 3 feet in diameter. I have stepped into the holes frequently.

She deposits her eggs, when they flow, and they are carried by the current, because the specific gravity of the egg is very small, and drop on the lower side of this excavation which she has made. The male then deposits some of the milt. The female does not deposit all of the eggs at once but it comes out at different periods. It is the same way with the male.

You may fancy in the first place how remote the chances are of many of those eggs thus being in a haphazard way squirted into the water, becoming fertilized with the milt. Therefore the number of fry produced from a single female is very small. However, when the female finishes depositing her eggs she again scoops the gravel with her nose and the current carries the sand and gravel back which covers the eggs in a measure. Some are covered altogether; others slightly. After that is done the fish remains near the eggs until finally exhausted when she dies and floats away.

The CHAIRMAN. Does the male die too?

Mr. MOSER. Yes; the male dies also; they all die.

Senator BOURNE. How do you account for that? Is it because of depletion of vitality?

Mr. MOSER. Possibly because of some provision of nature. They take no feed after they enter the stream and get into the fresh water. Their stomachs are usually empty.

The next salmon that arrives is the humpback. We will take a section in southeast Alaska. The sockeye arrives about the 20th of June; the humpback in the early part of July. They commence to run abundantly by about the 10th or 12th of July, and ascend the river to spawn. The humpback female gets over the spawning grounds of the sockeye and builds her nest right over where the other has made her excavation. Then you may have the coho or the silver salmon which arrives later. This fish may get over the same nest and tear it up again. This is another reason for the percentage of fry that are produced from the females under natural conditions being exceedingly small.

Senator BOURNE. Are you sure of the correctness of your estimate that under artificial conditions you save 90 per cent of the eggs?

Mr. MOSER. We know that, Senator, because we take the eggs and put them into buckets—large buckets.

Senator BOURNE. Calculations have been made on that basis and you know that your deduction that 90 per cent are saved is correct.

Mr. MOSER. We can tell when the eggs are fertilized. They change color.

Mr. BOWER. The percentage is even higher. I have known of instances at the Government hatcheries where 99 per cent of the eggs were hatched. Also, I was told by the superintendent at one of the Alaska Packers' hatcheries last summer, when I inspected that hatchery, that 95 per cent were successfully produced in some instances.

Senator BOURNE. The desideratum of legislation, it seems to me, should be to do everything possible to encourage the development of the industry—to establish more hatcheries and to allow the operation of more canneries.

Mr. BOWER. Undoubtedly there is a great need of more hatcheries.

Senator BOURNE (continuing). And the policy of extension should be encouraged and not restriction of this industry.

Mr. BOWER. I believe in many small hatcheries rather than a few large ones.

The CHAIRMAN. We will adjourn now and meet to-morrow morning at half-past 10.

Thereupon, at 11.50 o'clock a. m., the committee adjourned until to-morrow, May 17, 1912, at 10.30 o'clock a. m.

FRIDAY, MAY 17, 1912.

**COMMITTEE ON FISHERIES,
UNITED STATES SENATE,
Washington, D. C.**

The committee met at 10.30 a. m.

Present: Senators Jones (chairman), Bourne, and Overman. Also, Hon. James Wickersham, Delegate in Congress from Alaska.

Also appeared: Mr. Barton W. Evermann, chief, division of Alaska fisheries, Bureau of Fisheries, and Mr. Ward T. Bower, assistant agent, Alaska salmon fisheries. Also, Messrs. John Sidney Webb, Aldis B. Browne, Charles W. Dorr, J. F. Moser, and George A. Warren.

The CHAIRMAN. I want the record to show that I have requested Mr. Wickersham, Delegate from Alaska, to attend these hearings, and, as he is thoroughly familiar with the situation up there, I have asked him to interrupt any time that he desires to ask any question or bring out any point or any information in connection with the bill we are considering.

Mr. George A. Warren will be heard this morning, as he is anxious to get away.

STATEMENT OF MR. GEORGE A. WARREN, OF PORTLAND, OREG., REPRESENTING THE ALASKA-PORTLAND PACKERS' ASSOCIATION.

Mr. WARREN. Representing and in behalf of the Alaska-Portland Packers' Association of Portland, Oreg.—a corporation which operates a cannery on the Nushagak River, Bristol Bay, Alaska—I wish to

object to some of the sections of the proposed Senate bill 5856, as follows:

Section 1. Increase of licenses. We consider that the present license fees are proper and that any increase would be excessive. We base this on a comparison with total amount—license fees and taxes paid—by canneries in other sections and would cite the amount paid by our canneries on the Columbia River operated by the Warren Packing Co. The tax for this year on that river amounts to \$1,957, of which \$1,290 are for license fees including gear licenses and goes into the State hatchery fund, and \$687 is the property and personal tax on the canneries. This total amount, \$1,957, covers a pack of 45,000 cases and therefore amounts to 4 34 cents per case, which is about equivalent to the present license fee in Alaska. We do not consider that any difference should be made in the tax on the different grades of fish. While red and king salmon have a higher market value than pink salmon, on the other hand they are caught in places more difficult of access and where the cost of packing is necessarily greater; so that the average net return to the packer of reds is no larger than to the packer of the cheaper grades and the risk is greater. This is evidenced by the fact that the new canneries are practically all going into the pink district.

Our cannery is located on a red salmon river and is beyond the reach of regular transportation lines. This necessitates our owning sailing ships and requires us to outfit for a maximum pack at a maximum expense each year, which can not be curtailed in event of a short pack. The risk of navigation is very great for these sailing ships, and it is a significant fact that the three companies which outfit from the Columbia River have all met with disaster within the last three years, the Alaska Fishermen's Packing Co. and the Columbia River Packers' Association both having lost their ships by shipwreck and our company having lost our cannery by fire. Our company had to purchase an additional ship and take up many additional men last year, at a heavy expense, in order to replace our cannery in the very limited time, some two or three weeks, after the ice went out of the river and before the run of fish commenced. Notwithstanding, we lost most of the king salmon fishing on account of not having our new cannery ready for operation in time. This risk of navigation has caused high insurance rates to Bristol Bay, the rate now being 3 per cent on the trip each way.

Taking into consideration that most of the value of a case of salmon is in materials which are brought into Alaska and in labor, we consider that in paying a license of 4 cents per case we are paying a tax which is a high per cent on the value of the raw fish itself, which is the only part of the completed case which Alaska itself produces. If I am correctly informed, the salmon industry now pays a much higher tax than the mining industry, and our small cannery pays more than the great Treadwell mine. If an increase in license fee is made, we do think that the increase should go into a hatchery fund and be applied to a hatchery on the river on which are the canneries which pay the tax, so that they can get some benefit from the license paid, as is done on the Columbia River. On the Nushagak River our concern and the Alaska Packers' Association have voluntarily—for the last four years, at a considerable expense—contributed the services of men, use of

boats and materials, to the Bureau of Fisheries for the purpose of investigating the run of fish that goes into Wood River, a tributary of the Nushagak. We hope that a hatchery may be established there, and we would willingly pay an increased license fee to be used for that purpose.

Section 2. Ownership of hatcheries. We are heartily in favor of Government ownership of hatcheries, as we consider that the Government would establish hatcheries at points which would benefit all who are interested in the industry. Under the present system the owner of a private hatchery obtains a rebate of the license fee of his canneries in all districts in addition to the canneries in the district directly benefited by the hatchery, provided sufficient fry are liberated. We do not mean that private hatcheries should be confiscated, but believe that they should be paid for at their real value.

Section 4. Fish traps, surveys, etc. It will be impossible for our concern to have an accurate survey of trap locations made by a competent surveyor before the year 1913. Our three traps are shore traps, the outside ends being in water not deeper than 5 or 6 feet at low tide. There is one outside wing about 100 feet long on each trap, a straight wing running at right angles to the wing which leads to the shore. Without this outside wing we believe the trap would be almost valueless. Our understanding of the proposed bill is that this outside wing is still permitted and does not come under the term "jigger."

Senator BOURNE. May I interrupt you just one moment? What is your understanding of that, Dr. Evermann?

Dr. EVERMANN. That is not the jigger.

Senator BOURNE. So that outside wing would be still permitted under the proposed law?

Dr. EVERMANN. That is as I understand it.

Mr. BOWER. The total length is not to exceed 4,000 feet.

Mr. DORR. If you will permit me, I think the way the bill is drawn it is doubtful. It is subject to interpretation, and it should not be left in that shape.

Senator BOURNE. It should be made more specific.

Mr. DORR. You will pardon me for interrupting.

Mr. WARREN (continuing). Section 5. Distance between drift nets, etc. It would be impossible to regulate the distance between drift nets as cast by the fishermen from their fish boats in course of their fishing; also it is impracticable to keep license tags and numbers on individual drift nets.

Section 7, giving the Secretary of Commerce and Labor authority to regulate or prohibit fishing unlimited distances from the mouth of any stream. This would give one man supreme power, and in case of change of administration might jeopardize an entire investment. We believe a specified distance from the mouth of a stream should be established to be the limit as in the existing law.

The CHAIRMAN. Do you think we have sufficient information to determine that fixed distance—taking all streams?

Mr. WARREN. As I understand, the law is now 500 yards, I think, and there was some talk of a mile. We want it some definite distance.

The CHAIRMAN. Yes; but have we sufficient information to warrant us in fixing a certain definite distance as all that is necessary to afford proper protection?

Mr. WARREN. I think so; enough to specify some particular distance.

The CHAIRMAN. What do you think is sufficient distance?

Mr. WARREN. I think the present law, which is 500 yards from the mouth of the stream, is adequate.

The CHAIRMAN. Do you think that is sufficient for any stream in Alaska?

Mr. WARREN. It is for all streams in any district in which we know anything about.

The CHAIRMAN. But this legislation covers it all.

Mr. WARREN. Well, I believe that some of the gentlemen from the other districts can speak for themselves. I feel that it is in ours.

The CHAIRMAN. What capital has your company, Mr. Warren?

Mr. WARREN. \$50,000 capital.

The CHAIRMAN. And what investments have you in Alaska?

Mr. WARREN. We have an investment of about \$150,000.

The CHAIRMAN. What is your gross income from Alaska a year?

Mr. WARREN. Well, that depends entirely upon our pack.

The CHAIRMAN. What was it last year?

Mr. WARREN. Our pack last year was 38,000 cases, the market value of which was—I think the gross returns to us from the sale of that was about something like \$220,000. That was the gross market value of our pack.

The CHAIRMAN. Was that an average pack or was that a large pack?

Mr. WARREN. We outfitted last year for 60,000 cases. We got 38,000 and we considered it a small pack.

The CHAIRMAN. What do you mean by you “outfitted” for 60,000 cases? Just explain what arrangements you have to make in order to take care of a year’s business in Alaska and how you do it.

Mr. WARREN. In the first place we have to make our contracts with our labor so that they will be able to pack a sufficient number of cases in any one day, so that if the run of fish is good we can put up the total amount for which we take supplies, cans, and materials of various sorts.

The CHAIRMAN. Where do you get your labor?

Mr. WARREN. We get our labor in Portland, Oreg.

The CHAIRMAN. That is what I want to get at now. What steps do you take to get labor? What sort of contracts do you have, and with whom do you make contracts?

Mr. WARREN. We take up to Alaska about 150 white men and about 120 Japanese and Chinese. Our contracts for our Chinese are made with a Chinese firm which acts as contractor. We agree to pay him so much a case for all cases put up.

Senator BOURNE. And he pays the labor?

Mr. WARREN. He pays the labor.

Mr. DORR. How much a case is that?

Mr. WARREN. It is about 55 cents a case.

Senator BOURNE. So, really, they are on a lay?

Mr. WARREN. I was just going to explain it a little further. In order to be sure the contractor has sufficient men to pack the fish we get and which is necessary on account of all our other outlays, we agree to pay him for a certain number of cases whether we get them or not—whether they are packed or not. He, on the other hand, agrees with us to provide sufficient men to pack a specified number

of cases a day in each day of 10 hours. That is the Chinese labor in the cannery.

The CHAIRMAN. Now, what did you contract for last year?

Mr. WARREN. We contracted last year for a maximum—we agreed to pay our Chinaman for 47,000 cases whether we caught or not.

The CHAIRMAN. But of course you had to pay for all above 47,000?

Mr. WARREN. All above that we were to pay for at the specified rate of so much per case. As a matter of fact, last year we got only 38,000 cases, but we had to pay our Chinaman for 47,000 cases.

The CHAIRMAN. And in consideration of that he agrees to furnish enough help to put up so many cans a day whether you get fish or not?

Mr. WARREN. Whether we get the fish or not; yes, sir.

Then our fishermen: We have to take our fishermen from the Columbia River—Portland or Astoria. The fishermen, as Capt. Moser explained yesterday, are paid a certain amount for what we call run money and then they are paid a certain amount per fish.

The CHAIRMAN. What do you mean by "run money"?

Mr. WARREN. Run money is supposed to cover their labor in sailing the ship up and down and in unloading and loading the ship at the cannery.

The CHAIRMAN. Is it a lump sum, for the season?

Mr. WARREN. It is a lump sum. In some rivers it is \$75, in some rivers it is \$100.

The CHAIRMAN. That is to each man?

Mr. WARREN. Yes, sir; to each man.

The CHAIRMAN. Is the contract made with each individual or somebody representing them?

Mr. WARREN. It is made with each individual. An agreement is made with the fishermen's union as to the wages paid and each man signs the shipping articles.

Senator BOURNE. Is that \$75 run money for the month or for the season?

Mr. WARREN. That is for the season. It is a maximum and it is a minimum. It is the amount to each man.

Senator BOURNE. They are sure of that when they sign. That is a guaranteed amount?

Mr. WARREN. Yes.

The CHAIRMAN. What did you contract to pay these men last year?

Mr. WARREN. \$75.

The CHAIRMAN. \$75 each. Now, what additional?

Mr. WARREN. In addition to that they are furnished with their board. All the men we hire are furnished with their board from the time they leave till the time they come back, and in every case where we speak of money paid to these men it is in addition to their board. The men have no expense at all and everything they get is clear to them when they come back.

Senator BOURNE. Board and transportation is furnished?

Mr. WARREN. Board and transportation is furnished.

The CHAIRMAN. Where is this \$75 paid?

Mr. WARREN. The money is paid on their return to Portland.

The CHAIRMAN. It is paid on their return?

Mr. WICKERSHAM. Is all of their money paid on their return?

Mr. WARREN. Yes.

Mr. WICKERSHAM. For their contract?

Mr. WARREN. Yes. They receive their pay for the entire canning season as soon as they return.

The CHAIRMAN. Why is that?

Mr. WARREN. The contract is for the season.

The CHAIRMAN. Why do not you pay them during the season; advance them some money?

Mr. WARREN. I may say that while they are gone we pay their families so much a month. We send out a great many checks a month.

The CHAIRMAN. Is that in the contract?

Mr. WARREN. We agree to do it with each man. We have various kinds of contracts. Those that I have been speaking of are the fishermen who sign the shipping articles. For the 30 or 40 or more men who work in other capacities we have an individual contract with each one specifying the amounts we will pay, and they are paid as desired by them.

The CHAIRMAN. So that the contract does not expressly provide that you are not required to pay the money until they return?

Mr. WARREN. Oh, no; we simply pay as many as want to have their compensation paid.

The CHAIRMAN. You were speaking about some additional payments.

Mr. WARREN. In addition to the run money I speak of, the fishermen are paid so much per fish for all fish caught.

Senator BOURNE. That is for all they catch, for what each fisherman catches?

Mr. WARREN. For what each fisherman catches; yes, sir. We furnish all the fishing gear—the boats, the nets, and all the equipment. Everything they get is absolutely without expense to them. As Capt. Moser stated yesterday, our average payment to our fishermen is about \$400 per year.

The CHAIRMAN. That means \$400 for how much actual time?

Mr. WARREN. It is \$400 and board for five months.

The CHAIRMAN. And transportation?

Mr. WARREN. And transportation.

Senator BOURNE. Is that \$400 in addition to the \$75 run money or does it include that \$75?

Mr. WARREN. That includes the \$75 run money. The amount that is earned depends somewhat upon the individual fisherman. The good men earn as high as \$500 or \$600. Sometimes we get men who go to Alaska simply to get their board for the season. When they get up there, they don't do any fishing and their pay runs on.

Senator OVERMAN. How much do you pay per fish?

Mr. WARREN. There are three kinds of fish that we pay for—kingfish, redfish, and pink fish. I am just a little bit hazy, as I have not the figures with me. I think Capt. Moser can correct me if I am wrong. Last year we paid 10 cents per fish for king.

Mr. MOSER. Twenty cents per boat.

Mr. WARREN. Twenty cents per boat. Two men in a boat. We make a statement out for each man and each man receives 10 cents. The redfish, I think, are a cent and three-quarters for each man and the pink are a cent for each man.

Mr. MOSER. Yes; $3\frac{1}{2}$ cents per boat.

The CHAIRMAN. Do all the operators pay the same rate?

Mr. WARREN. All the operators in the same district pay the same rate. On the Nushagak River, where our cannery is located, the Alaska Packers' Association have two canneries, the Northwestern Fisheries Co. have one cannery, the Columbia River Packers' Co. have one.

Senator OVERMAN. Have you an association by which you fix the prices?

Mr. WARREN. There is an agreement now, I believe, made with the fishermen's union as to the price. The fishermen's union are the ones who have to do with fixing the price.

Mr. WICKERSHAM. Have you a copy of that agreement?

Mr. WARREN. No, sir.

Mr. DORR. I have.

The CHAIRMAN. You can bring that in when you make your statement before the committee.

Senator OVERMAN. Have the canners an association?

Mr. WARREN. No; the canners have no association.

Senator BOURNE. Really, then, under the agreement, the fishermen's union fixes the price?

Mr. WARREN. That is about the size of it.

The CHAIRMAN. So you think that the tax should be the same on all classes of fish?

Mr. WARREN. Yes, sir.

The CHAIRMAN. And you have given your reasons for it?

Mr. WARREN. Yes, sir.

The CHAIRMAN. Did you state how much tax you paid in Alaska?

Mr. WARREN. We paid last year 4 cents per case on 38,000 cases.

The CHAIRMAN. You operate no hatchery?

Mr. WARREN. No.

The CHAIRMAN. You got no rebate?

Mr. WARREN. It would not be feasible for a small concern to operate a hatchery.

The CHAIRMAN. Why not?

Mr. WARREN. The expense of operating a hatchery is quite great, and necessarily the hatchery has to be a large one in order to prorate the expense. Our pack is so small that the rebate which we might get would not be anywhere equal to the expense of operating a hatchery of the size which would be necessary to make it economically a success.

The CHAIRMAN. Going back to the labor proposition, Mr. Warren, why is it that you contract with some individual to put up a certain amount of fish instead of hiring men as individuals?

Mr. WARREN. The work of packing fish inside of the cannery has been done by Chinese for years. It is impossible to get other labor to do it.

The CHAIRMAN. Why?

Mr. WARREN. It is a sort of a specialized business in a way. Other labor has not been accustomed to doing that sort of work, and it would not be sure in the cannery business. The fish come in runs, and everything has to be done in a very great rush.

Senator BOURNE. Because of the perishability of the raw material?

Mr. WARREN. Yes. Any other labor that we have ever had anything to do with is not dependable.

The CHAIRMAN. Why not?

Mr. WARREN. They work at the job for a little while and then they will stop, so that the only way we have been able to get dependable labor is the method which we have pursued for a great many years. We do the same thing now on the Columbia River in our canneries and have followed that practice for 25 years.

The CHAIRMAN. Can you get labor in Alaska?

Mr. WARREN. I may say at this time that in Alaska we use all the labor we can possibly get hold of up there. All the Indians in that vicinity we employ. I, myself, was up there two years ago. At one time we had 30 or 40 of the natives working in our cannery and we wanted more, but could not get them.

The CHAIRMAN. What were they doing?

Mr. WARREN. They were helping out in piling cans; emptying the coolers. The coolers are a sort of iron basket that holds the cans. They took the cans out of these coolers and piled them on the floor, so that we could use them again.

The CHAIRMAN. Were they doing the work ordinarily done by the Chinese?

Mr. WARREN. They were doing the work that is supposed to be done by the Chinese largely.

The CHAIRMAN. Were they doing the work that was supposed to be done under your contract with the contractor at Portland?

Mr. WARREN. They were doing about half the work supposed to be done by the contractor and about half the work on account of ourselves in the cannery. I will say this: It takes the work of about three of those Indians to equal the work of one good man and we were paying \$2.50 a day and board for the work that they did.

The CHAIRMAN. Why is it that it takes three of them to do the work of one Chinaman, for instance?

Mr. WARREN. It is on account of the way in which they work. They move about one-third as fast as a Chinaman does. They take very frequent rests, and when a crowd of 20 or 30 of them get together they spend most of the time talking and standing around, looking at each other. It is very poor labor to have anything to do with.

The CHAIRMAN. Could you get white labor to do the work the Chinamen do?

Mr. WARREN. We could not get sufficient white labor to do the work.

Senator BOURNE. The supply is not there?

Mr. WARREN. There is no supply there to draw from.

The CHAIRMAN. That is what I want to get at.

Mr. WARREN. But even on the Columbia River if we could get a supply it would not be feasible. We have tried white men in other departments of our business and we generally have to have a standing order with an employment agency and a crowd coming, a crowd going, and a crowd working. It is very unsatisfactory.

The CHAIRMAN. I did not mean to ask whether you could get a supply of labor in Alaska that worked or not, but whether you could get that labor anywhere to do that work.

Mr. WARREN. No; I do not think we could.

The CHAIRMAN. Is there any reason why white labor does not offer to do that work?

Mr. WARREN. Well, the only reason that I can see is that they do not want to do it. We can not get them.

The CHAIRMAN. Is it because of the character of the work that white labor would not want to do it?

Mr. WARREN. Well, I suppose that is probably the reason.

The CHAIRMAN. And a great deal of it is rather disagreeable work is it not?

Mr. WARREN. It is around the fish.

Senator BOURNE. They prefer the fishing?

Mr. WARREN. Yes, sir.

Senator BOURNE. And then the element of chance is eliminated in that work. They would rather take the opportunity of making more catching fish in addition to the run money? It is more attractive to them?

Mr. WARREN. We have working in our cannery a number of white people. We have, I suppose, in the cannery itself about 15 or 20 white men.

The CHAIRMAN. But they do not do the kind of work you make these contracts for, do they?

Mr. WARREN. They look after the machinery. They are what we call machine tenders. At every machine we have a white man who looks after the mechanical part of the machine and sees that the machine runs properly.

The CHAIRMAN. That would be considered a higher class of work than the actual handling of the fish, would it not?

Mr. WARREN. Yes.

The CHAIRMAN. As I understand, the main reason you make these contracts is because the labor is more dependable and will stay with the work?

Mr. WARREN. Yes. It would jeopardize our entire season if we had a strike or anything of that sort in the midst of the run. The heavy run of fish on the Nushagak River, where our cannery is located, does not last more than a few days; sometimes a week and sometimes 10 days.

The CHAIRMAN. And, as a matter of fact, the main reason why you do not try to get white labor is because you fear they would strike and quit work in the midst of the season?

Mr. WARREN. Yes, sir. As a matter of fact, we had a strike of fishermen on the Nushagak River one year which made our pack that season a failure.

Senator BOURNE. What did you get that year?

Mr. WARREN. That season we packed, I think it was, 35,000 cases.

Senator BOURNE. What did you make preparations for?

Mr. WARREN. We made preparations for about 60,000 and the selling price of fish then was about 95 cents or \$1 per dozen.

Senator BOURNE. So that you lost money that year?

Mr. WARREN. We actually lost money. In the 11 years we have been in Alaska we have actually lost money about four or five of the years.

Senator BOURNE. Does the average show a profit?

Mr. WARREN. We have never paid a dividend in the 11 years we have been there, and we are just about even now.

Senator BOURNE. And you have \$150,000 capital investment?

Mr. WARREN. \$150,000 invested there; yes, sir.

Senator BOURNE. When you make your preparations for a 60,000 pack, what is the cost? How much money is invested? How much do you have to lay out in addition to your plant?

Mr. WARREN. We have to put up about \$125,000.

Senator BOURNE. That represents really your outlay for the season?

Mr. WARREN. That is what we have to put out before the ship leaves.

The CHAIRMAN. What do you put that out for?

Mr. WARREN. We put that out for supplies of various kinds.

Senator BOURNE. And your labor contracts?

Mr. WARREN. For labor advances to the various men, the expense of loading, insurance up, and all that sort of thing.

Senator OVERMAN. What is the best grade of fish you put up?

Mr. WARREN. There are two grades just now, under the salmon market price—at least, last year—the king salmon and the red salmon.

Senator OVERMAN. What do you get per case?

Mr. WARREN. That varies very materially. Last year we got a high price, \$1.60 per dozen. One year we got 85 cents per dozen; another year 90 cents per dozen.

Senator OVERMAN. Last year was the highest it has been?

Mr. WARREN. It was the highest, I think, in the history of the business.

Senator OVERMAN. Why was that?

Mr. WARREN. It was on account of short packs and various market conditions.

Senator OVERMAN. Was there less catch that year than the year previous?

Mr. WARREN. Yes. Our pack, as stated before, was 38,000 cases, and we went up for 60,000.

Senator OVERMAN. How do you dispose of it—to the wholesalers?

Mr. WARREN. We dispose of it to the jobbers.

Senator OVERMAN. Do you know what the jobbers get for it? You say last year you got \$1.60. What did the jobbers get for your product?

Mr. WARREN. If what the jobbers say is true, they were not able to sell much of it. They told me in New York a couple of days ago that the price this coming year is going to be very much lower; that the jobbers who bought last year at the high price have been unable to sell.

Senator OVERMAN. Do you know what it retails for?

Mr. WARREN. At \$1.60 per case wholesale I should think that the retailer probably gets 20 cents a can for it. Some of these gentlemen here probably know better than I do.

Mr. MOSER. About 20 cents. It depends upon the store you go to. If you go to a high-grade grocery establishment, they will charge you 25 cents a tin for it. The average grocery sells it for 20 cents. Formerly they sold two for two bits or 25 cents.

The CHAIRMAN. That would be \$9 a case. What do you get per case?

Mr. WARREN. We get \$1.60, less commissions and discounts.

The CHAIRMAN. What are they?

Mr. WARREN. We have to pay a cash discount of 1½ per cent and a commission to the jobber of 5 per cent.

The CHAIRMAN. Where is that delivered?

Mr. WARREN. That is the price to us f. o. b. common shipping points on the Pacific coast.

Mr. DORR. You do not mean in Alaska?

Mr. WARREN. Not in Alaska.

The CHAIRMAN. You mean in the States?

Mr. WARREN. We have to bring the fish to the Pacific coast common shipping points.

The CHAIRMAN. That would be Seattle, Tacoma, or San Francisco?

Mr. WARREN. Seattle, Tacoma, San Francisco, Portland, or Astoria.

Senator BOURNE. Now, let me understand this. In a season you have \$150,000 capital invested in your plant and you have \$125,000 invested in your outfit. That is the total investment for a season's work?

Mr. WARREN. Yes.

Senator BOURNE. You take the risk on the \$125,000 for the outfit, and you have the risk on your plant with a high rate of insurance and difficulties in the way of stability of labor?

Mr. WARREN. If our plant burned down completely, and we had no plant at all, we would still have to bring the men back.

Senator BOURNE. Would you pay out your \$125,000 for outfit?

Mr. WARREN. In addition to that we would have to pay the men for their labor.

Senator BOURNE. Does not your \$125,000 for outfitting cover that labor contract?

Mr. WARREN. No, sir.

Senator BOURNE. I understood that it did.

Mr. WARREN. I said the advances we made them.

Senator BOURNE. What, in addition to \$125,000 for outfit, would you estimate to be your contracts on labor? You would be bound, in case your plant was destroyed, and you would have to pay it. I want to get the rate.

Mr. WARREN. The average amount we have to pay out when our expedition comes back is something like \$60,000 or \$70,000.

Senator BOURNE. So that you have an additional risk in addition to that \$125,000 outfit?

Mr. WARREN. \$60,000 or \$70,000 labor; yes.

The CHAIRMAN. That is, for instance, last year you had a contract with a man to put up 47,000 cases?

Mr. WARREN. Yes, sir.

The CHAIRMAN. If that plant had been destroyed and they had not gotten a single case, when they got back you would have had to pay the labor for 47,000 cases?

Mr. WARREN. Yes, sir.

The CHAIRMAN. What guaranty do you have that the man who is contracting for labor will carry out his contract?

Mr. WARREN. The chief guaranty we have is that he puts a sufficient number of men aboard our ship when she sails for Alaska.

The CHAIRMAN. Suppose this man——

Mr. WARREN. We also in our contract make him agree to furnish a certain number of men—120 men—and when our ship sails we count the men and see how many are on the ship.

The CHAIRMAN. Suppose when they get up there those men quit work. They do not give you any bond or anything of that sort, do they?

Mr. WARREN. No.

The CHAIRMAN. You simply have his contract?

Mr. DORR. I would like to say at this point, if I may be permitted, Senator, that from 40 years' experience with the Chinaman and the salmon packers the latter have found that the Chinaman when he makes his contract keeps it without any bond. There is absolutely no trouble about it. His word is good.

Senator BOURNE. He realizes that his business and his good will would be gone if he fails to keep his contract. He would lose his good will and his reputation for integrity and would thereby be unable to get more contracts if he did not carry out that contract in good faith. Is there any provision in the contract for forfeiture of the moneys due them in case they break that contract?

Mr. DORR. Oh, yes; there are formal provisions of that kind, but I have never known of any instance—and I have had a good deal to do with these matters for the last 15 years—where a Chinaman broke his contract.

Senator OVERMAN. They carry out their contracts more strikingly than any other class of labor?

Mr. DORR. I think more strikingly than any other class of labor on earth anywhere, even including our Americans, of which I have just as good an opinion as anyone.

The CHAIRMAN. Do you know what precaution the contractor takes to protect himself from the failure of those whom he sends up there to do their part of the work? Does he take any protection, or does he simply rely on the honesty of his race?

Mr. DORR. I think he relies principally on the honesty of the race of people with whom he is dealing. The Chinaman is inherently honest, not only in his native country, but that admirable trait of character is brought over with him here. The Chinese are slow and cautious about making contracts, but, having contracted, their undertakings are punctually and faithfully performed.

The CHAIRMAN. I have always understood that but I was anxious to know.

Mr. DORR. Of course there are now and then individual Chinamen who get off. Once in a while we hear of a case where some individual Chinaman does not go. He runs away, or something of that kind; but those cases are the exception, and they are scarcely enough to be considered in the situation.

The CHAIRMAN. Do you advance to the contractor any money for the labor he is to furnish?

Mr. WARREN. Yes, sir; we do.

The CHAIRMAN. What portion of the contract do you advance, if there is any specified?

Mr. WARREN. We advance about 30 per cent.

The CHAIRMAN. What does he do with that? Do you know?

Mr. WARREN. He in turn advances, I believe, to the men he hires.

Mr. DORR. And also buys the stores.

Mr. WARREN. Yes; he buys the stores.

Mr. MOSER. Supplies them.

Mr. WARREN. Our contractor has stated to me that his supplies cost him about eight or nine thousand dollars, and we furnish him with about ten or eleven thousand dollars.

The CHAIRMAN. Your labor contractor furnishes all the supplies for his labor, does he?

Mr. WARREN. Yes, sir.

The CHAIRMAN. And what about transportation?

Mr. WARREN. We furnish the transportation.

The CHAIRMAN. You furnish the transportation for the labor that he gets for you?

Mr. WARREN. Yes, sir.

The CHAIRMAN. Is that a part of your contract?

Mr. WARREN. Yes.

The CHAIRMAN. That is in addition to the amount you agree to pay, or a part of the amount you agree to pay, rather.

Senator OVERMAN. You said you paid board and transportation too. I understood you to say you furnished them all with board and transportation.

Mr. WARREN. When I said "board" I was speaking of the white men. The transportation is necessary for us. We use our own ships and they go on our ships.

Senator BOURNE. You have your own ships?

Mr. WARREN. Yes, sir.

The CHAIRMAN. Now, the contractor I suppose does not advance very much of the wages to these men that he furnishes.

Mr. WARREN. Well, I am unable to state that.

Mr. MOSER. I think I can state that. They advance about \$40 per man to the men they employ, and I think I can add, too, that the impression conveyed by the conversation here to-day is that all these cannery hands are Chinamen. They are not so. Not at least with our people, and I do not suppose on the Columbia River that is true either. On account of the exclusion act we are doing well if we get 40 per cent Chinese. The rest are Japanese, Filipinos, and Porto Ricans, and Mexicans.

The CHAIRMAN. Are they all furnished under the contract with this individual?

Mr. MOSER. They are furnished—the contractor is still a Chinaman. The Chinese have taken this work in hand from the earliest days and when all Chinese were employed they had thorough control of their people. There was never a particle of trouble in the canneries in regard to the management of the cannery men; but since that time, other nationalities are employed on this work. In fact I may say that we have at times taken white boys up there, in individual cases. They have done fairly well, but the men—the Chinese crew—is made up of all nationalities in addition to Chinese.

Mr. BOWER. Is it not true that you have a good many white men who are employed by the Chinese contractor?

Mr. MOSER. Well, exceptionally. There are some few white men employed occasionally in the canneries. That is, in the canneries in Alaska. On Puget Sound a great deal of that work is done by girls.

The CHAIRMAN. Well, we understand that.

Mr. MOSER. I mentioned that because you intimated a few minutes ago that that cannery work was very disagreeable work.

Senator OVERMAN. Mr. Warren, how many men do you contract with? You contract with one Chinese for his gang. How many more contractors do you have?

Mr. WARREN. Do you mean for all our various sorts of labor? We have just the one contract.

Senator OVERMAN. That contractor employs Chinese, Filipinos, Japanese, and all those nationalities?

Mr. WARREN. Our cannery crew last year consisted of 55 Chinese, I think it was, and 65 Japs. Possibly some of them might have been Koreans instead of Japanese.

Senator OVERMAN. They all went in under this one contract?

Mr. WARREN. Yes.

Senator OVERMAN. And under this one contract you brought in the different nationalities?

Mr. WARREN. Yes.

Senator BOURNE. But for all the other labor the contracts are made, or the terms are agreed upon, between the men and yourself?

Mr. WARREN. Yes.

Senator BOURNE. Under direction of the fishermen's union?

Mr. WARREN. Yes.

Senator OVERMAN. That is, with individuals?

Mr. WARREN. Yes; with individuals.

Senator BOURNE. And how many of those individuals were there last year?

Mr. WARREN. Well, last year we had 66 fishermen, and then we had about 40 men in addition to that, which were composed of men who worked on the traps and men who worked around the cannery, as beach men, and working in the cannery, and then our machinists.

The CHAIRMAN. At any season have you figured out your profit per case—your net profit?

Mr. WARREN. Well, it is changing every year.

The CHAIRMAN. Is there any one year that you can give your net profit per case?

Mr. WARREN. No; I can not. I have not the figures.

The CHAIRMAN. Could you furnish that information to the committee?

Mr. WARREN. I could wire out and take the whole history of the business in every year and give the number of cases we packed.

The CHAIRMAN. If you can furnish that inside of two or three weeks the committee would like to have it.

Mr. WARREN. Yes.

The CHAIRMAN. We would like to have you furnish information to the committee covering as many years as you can, giving the net profit per case each year.

Mr. MOSER. If it will be of any service, I have the net profits of the company I represent for every year.

The CHAIRMAN. We will be very glad to have that; but we would like to have the data in regard to Mr. Warren's company too.

Mr. WARREN. It would show a net loss.

STATEMENT OF MR. JEFFERSON F. MOSER—Resumed.

The CHAIRMAN. Now, Captain, you may proceed.

Mr. MOSER. I think, Mr. Chairman and gentlemen, that we finished the inquiry yesterday relating to the species of salmon and the kind and amount of fishes. Are there any other questions you wish to ask in relation to those subjects?

The CHAIRMAN. I have not any now, Captain.

Mr. MOSER. I think, in taking up this matter of the bill proper, I would like to say something in reference to the law which is at present in force.

The first law governing the Alaska salmon fisheries, so far as my information goes, was passed in 1896. Ten years later it was thought necessary to make some changes or to adopt some new measures and a special board of fishery experts was appointed—in 1905, I think it was, or possibly a little earlier—under the leadership of Dr. Davis Starr Jordan, who is eminently known as a fish expert and authority. They went to Alaska and examined the conditions that were presented at that time. They had a steamer at their disposal, so that they visited all parts they thought necessary.

This board, in conjunction with the commercial interests, drew up a bill, which was passed, and which is the law now in existence, and we thought at that time and believe still that that measure was quite sufficient, possibly with certain small amendments, to control the Alaska salmon fisheries at the present time.

So far as my information goes, at least, I believe that the present law will cover the conditions, excepting, possibly, the feature of trap regulation. That is the only part that I know of upon which there has been any contention; but, with a law passed governing the traps in Alaska and making some provision for the control and ownership of trap sites, I believe that any additional measures at the present time are premature. It may be possible that in years to come, when we know a little more about the salmon fisheries of Alaska and a little more about their development, additional legislation may be necessary; but my own opinion is that at the present time there should be very little done to disturb present conditions.

The CHAIRMAN. Have you anything in mind as to possible future development that might require changes, Captain?

Mr. MOSER. I have made some in the course of my notes here. I have made some notes in regard to conservation measures that might be adopted.

The CHAIRMAN. You will cover that later?

Mr. MOSER. Yes. I will cover it as I go along.

The tax of 4 cents per case was a war measure, passed in 1898, with a number of other similar measures passed at that time, and when they were rescinded, after the American-Spanish War, that tax remained and was later embodied in the bill passed in 1906.

To the best of my knowledge, the salmon fisheries of Alaska are the only ones taxed by the Federal Government. We believe that the tax is just, but we do not believe that we should be taxed out of existence.

The CHAIRMAN. Of course they are the only salmon fisheries that are entirely within the jurisdiction of the United States.

Mr. MOSER. They are the only fisheries taxed by the Federal Government.

The CHAIRMAN. I know; but they are the only salmon fisheries that are within the control of the National Government.

Mr. MOSER. They are the only salmon fisheries, but there are other fisheries that the Government could tax. The fisheries of other Governments are fostered and encouraged by bounties, subsidies, and so on. I have not looked the matter up very carefully, but I have noticed quite recently in the press that the Canadian Government is now paying a bounty of 50 cents per barrel on pickled fish. I have noticed also that in Sweden the sum of \$200,000 has been recently set aside to advance to fishermen at a very low rate of interest to encourage the fisheries there. I know in Japan there is a national institute which is on a par with a university in which they graduate men in the fisheries. These men are sent to the smaller towns, where they establish schools, and from these schools the students are sent to every village throughout the Empire to teach them how to utilize the different products of the fish.

Senator BOURNE. Is their tuition paid by the Government?

Mr. MOSER. Yes. I was entertained in Tokyo some years ago, when I was engaged in the fur-seal investigation, by the institute, and they take great pride in it.

Japan also pays subsidies to fishing vessels, both steamers and sail, and, I think, encourages them in various other ways.

In Brazil I have recently noticed they have established schools. They are exempting from taxation the gear and all the necessities that are brought into that country that relate to the fisheries. They have exempted them from import duties and they are giving them every encouragement to go on with their work.

It has been generally recognized, I think, in all countries that the fisheries produce a cheap food. They promote commerce and trade and they rear a hardy set of men for the naval service and for the merchant marine. I believe that the proposition to further tax the Alaska salmon industry has been induced by communities in the interior of Alaska which desire to impose additional taxation in order that more funds may be provided to build roads for the miners, who pay no taxes and who take from the ground what can never be restored.

The report of the governor of Alaska for the year 1911 would seem to encourage road building at the expense of the fisheries, and, indeed, his statement before the subcommittee here implies this, and nowhere does there seem to be a recommendation to apply the fishery tax for the development and maintenance of the fisheries. In my opinion, that tax should all be applied to the development of the fisheries or should be paid into the United States Treasury.

The Department of Agriculture has experimental stations all over the country and has greatly improved agricultural conditions, and it would seem desirable to apply the fishery tax for the maintenance of the fisheries by building hatcheries and experimental stations where the fishery products could be developed in different forms of palatable foodstuffs and the canner given the benefit of these experiments by being taught how to produce them for the trade—fish meal, fish cakes, caviar, and other foodstuffs. To carry on these experiments would

be expensive to the individual canner, and we believe that we should be encouraged by the Government in our work in the fisheries.

I do not think that the cannerymen believe particularly that we should have a biological station, which I suppose would be perfectly proper for the fisheries to utilize. We do not care particularly about knowing how many scales there are to the square inch or whether the lateral line runs up or down or how big the peduncle is, or anything of that kind, but we do want to know how to utilize our products.

The taxes provided by the bill are far above the amount that the business can stand. At the present time the high prices of foodstuffs is seriously considered, and it is believed that the Government is opposed to increasing the burden which the consumer must eventually pay. Three cents for pinks, which would include humpback and dog or chum; 4 cents for medium red, which includes cohoes or silver; 5 cents for red or sockeye and king or spring; and 10 cents per barrel for salt salmon should be quite sufficient and is more than is exacted by the States generally, which guard their fisheries very carefully.

The CHAIRMAN. What changes are those compared with the present law?

Mr. MOSER. The present law is a straight 4-cent tax. Under this rate, taking the 1910 tax, which is the last published, the tax under this 3, 4, and 5 cent rate which I submit will be \$103,341.59.

The CHAIRMAN. And what did the tax amount to under the regular rate?

Mr. MOSER. \$96,522.10, or a difference in favor of the rate I suggest of \$6,819.49, or about the amount which you have appropriated heretofore for the expense of the salmon agents in Alaska.

Mr. BROWNE. There is a difference of \$6,000.

Mr. MOSER. \$6,000 in favor of the tax I suggest.

The CHAIRMAN. Suppose you go on and state your reasons for these suggested changes.

Mr. MOSER. I will come to that, sir. There should be no tax on fishing gear, excepting perhaps on traps, which should not be more than \$50 for each trap, the amount exacted by the State of Washington, which has several hundred under its jurisdiction. Tax on small gear should not be required. The amount to be collected on the 1-cent per fathom rate is very small and the difficulty in obtaining licenses and maintaining the tags on nets is so great that this feature should not be considered. The amount to be collected on the 1-cent per fathom rate is very small and the difficulty in maintaining the tags is so great that I think it should not be considered.

I do not see, when you consider the usage of the nets, hauled in and out over the gunwales of the boat and floating in the water, how the tag can possibly be maintained on those nets. Under the 1-cent per fathom rate the company I represent in 1911 had 75,000 fathoms of nets, 4,600 fathoms of drag seines, the tax on which by the proposed measure would amount to \$800. If it was necessary to have this tax, we would rather pay it some other way.

What concerns us chiefly is the inconvenience. We must have on hand two sets of nets. The nets that were put into the water last year are put into the water this spring, when the early fishing takes place, to take the first fish that come along. After the run once commences and the run runs full a new set are placed in the water and

used until the end of the season. So we have a double set of nets on hand to take care of. It would be a very difficult matter to have that tag retained on all those nets.

Mr. DORR. Many of the nets are lost.

Mr. MOSER. Yes; many of them are lost. You could not keep the tags on them; it is not practicable. The company I represent, if necessary, would rather pay this amount some other way.

Our company had 25 stationary traps and 10 floating traps.

The CHAIRMAN. What do you mean by "floating traps?"

Mr. MOSER. A floating trap is a trap that is arranged very much in form like the regular driven trap, but is supported on floats; that is, a floating trap consists of a heavy timbered framework outlined very much like a driven trap, but having from this heavy timbered framework projecting under it 2 and 3 inch piping, telescopic in arrangement, so that one pipe goes inside of the other and can be extended to a depth of about 30 feet. The net is attached to this pipe and shoved down, as it were, to the proper depth. Those traps are coming into use slightly and can be used in deeper water than the driven traps.

Senator BOURNE. Have they proven to be practicable?

Mr. MOSER. They are still in the experimental stage. The patentee of the trap has been quite successful in using them, but other people so far have not been so successful.

Mr. BOWER. Last year there were 20 of them in use in Alaska, as against 132 stake traps.

Mr. MOSER. We had 10 floating traps.

The salmon-canning business in Alaska is not a profitable business. The company I represent has been operating now for 19 years. Its capitalization January 1, 1912, was \$6,828,800; this includes \$1,078,000 in bonds. It has paid in cash dividends \$6,159,477 and in stock dividends \$1,680,000.

Senator BOURNE. That is during 19 years' operation?

Mr. MOSER. Yes; 19 years. These dividends include \$1,793,823 profit from our three large plants on Puget Sound, which are far more profitable than the Alaska canneries. The expense in operating the Alaska canneries, as Mr. Warren referred to to-day, is simply enormous as compared with what can be done on Puget Sound. We must lay out our work there to pack the maximum number of cases per line. We operate in the Bering Sea district alone, in which Mr. Warren is interested, what we call 33 lines of machines in all our canneries. The line consists of all the machinery necessary to process the fish from the time it is received in the fish house in the cutters until it goes into the bathroom, where it is cooked.

As I say, we operate 33 lines. In fitting out we allow 25,000 cases to the line. Now, we must take north the amount of material and the number of men necessary to pack that maximum number and those men are paid as though that maximum number were packed, except the number of fish that were taken out.

We must provide transportation, and as Senator Overman was not here yesterday nor Judge Wickersham, I would like to show them the photograph I have of the cannery fleet which is necessary to maintain this business.

Senator BOURNE. How do your investment charges and your outfitting charges compare relatively with those stated by Mr. Warren?

Mr. MOSER. They compare fairly well, so far as I know, Senator. I am not so conversant with the bookkeeping end because my line is entirely the manufacturing end.

By the way, incidentally, there is a blue print of a trap, which has been so often referred to. It may be some of the members of the committee would like to look at it. This is the lead that runs out a distance from the shore. This is what we call a hook on the end of the lead. This is the jigger, which is the part that has been discussed by the different representatives of the department. This is the double heart here; and here is the pot; and here is the spiller. The fish strike the lead and they come in there into the heart. The heart is shaped so that if they do not go into the inner heart or the second heart they may be diverted around here.

These traps are built of course to catch fish. In taking off the jigger you take away part of the machinery for catching fish. Necessarily all parts of the trap are arranged so that they will catch fish.

Senator BOURNE. That is the purpose of the trap?

Mr. MOSER. Yes, sir; that is the purpose of the trap. In passing through this portion of the trap here they come into a second heart or inner heart, and finally they come to this point which leads into the pot, which is an inclosed box, as it were, and leading into that box is the tunnel, which is, you may say, like the old style rat trap—small at one end and large at the other.

The CHAIRMAN. Why does not that blue print show the tunnel?

Mr. MOSER. This is a cannery blue print and one we use in getting the different proportions of the trap. Here you enter the part and and then there is another opening in here similar to the tunnel in which they go into the spiller.

Senator OVERMAN. What do you mean by "spiller"?

Mr. MOSER. It takes the overflow. Usually the spiller is here and holds the fish and from which the fish are taken into the boats.

Senator BOURNE. The spiller is raised up here so that they simply go into another slide.

Mr. MOSER. It is raised up here [indicating].

The CHAIRMAN. But you do not load the fish out of the pot into the boat?

Mr. MOSER. Not unless the spiller is filled. Sometimes the spiller is full and the pot too. On Puget Sound that occurs sometimes. As a rule, Senator, they are all in the spiller. Of course if there is a great run on hand and the fish are there—if there are so many in the spiller that the pot is also filled—

Senator OVERMAN. How do you get that out? That is under water.

Mr. MOSER. That is under water, and these [indicating] are piles.

Senator OVERMAN. How do you get down into the spiller to get the fish out?

Mr. MOSER. Senator, you let down one side of this end and you work what we call a trap scow into the trap. The trap scow we will say works away through here. You take this net and haul it up. Men on the side take hold of the net at the bottom and pull the end up gradually until they get them all inclosed on one side.

Senator BOURNE. It is a kind of a purse.

Mr. MOSER. And then we have a brailer.

Senator BOURNE. The brailer is a sort of a scoop?

Mr. MOSER. No; the brailer is a long piece of heavy netting.

Senator OVERMAN. I want you to explain what a jigger does.

Mr. MOSER. This is the lead. Of course this lead may run off here two or three thousand feet. Here is where the fish strike in. They school around here. This is the opening that leads into the heart. They school around and some will get away. This portion of the trap is built here so that they school around, and instead of getting away they are turned back.

The CHAIRMAN. If it were not for the jigger, some would go by.

Senator OVERMAN. What is the length of this jigger?

Mr. MOSER. It varies. I suppose probably 100 or 150 feet.

Mr. WICKERSHAM. Here is a picture of a floating trap.

Mr. MOSER. That is a Heckman floating trap. I have quite a large number of photographs here. Senator, we were talking about the transportation. I had this photograph [indicating] taken here to show the sailing fleet alone which we are obliged to maintain for our work. In Alameda, Cal., near San Francisco, we have a shipyard which is used entirely for our own purposes. Our vessels come down and they are cleaned and fumigated, painted, and renovated from one end to the other. We employ there 275 to 325 men all winter long. These are our works—machine shops, carpenter shops, and so forth. We build all our own boats, lighters, pile drivers, and make our own machinery. We have dredged this basin out, here.

Senator OVERMAN. Are those all your own boats?

Mr. MOSER. These are all our own boats, and we have others not in this picture. There are 7 steamers. Only 7 steamers come down. We have something like 60 steamers and launches of all sizes and kinds. Seven of those usually come down to San Francisco. We have 24 deep-water sailing vessels all told.

The CHAIRMAN. Now, Captain, we will have to adjourn. We will meet to-morrow morning at 10.30

Thereupon, at 11.50 o'clock a. m., the committee adjourned until to-morrow, Saturday, May 18, 1912, at 10.30 o'clock a. m.

SATURDAY, MAY 18, 1912.

COMMITTEE ON FISHERIES, UNITED STATES SENATE, *Washington, D. C.*

The subcommittee met at 10.30 a. m.

Present: Senators Jones (chairman), Bourne, and Overman; also, Hon. James Wickersham, Delegate in Congress from Alaska.

Also appeared: Dr. Barton W. Evermann, Chief Division of Alaska Fisheries, Bureau of Fisheries, and Mr. Ward T. Bower, assistant agent, Alaska salmon fisheries; also Messrs. John Sidney Webb, Aldis B. Browne, Charles W. Dorr, and J. F. Moser.

STATEMENT OF MR. JEFFERSON F. MOSER—Resumed.

The CHAIRMAN. Capt. Moser, you may proceed.

Mr. MOSER. I finished yesterday at the point where I had stated what our capital was, what the dividends were which we had paid during the 19 years of our existence, and the amount of the dividends that had accrued from the Puget Sound plant.

I will now continue from that point, if you please. No dividends were paid from September 28, 1905, to November 10, 1910. A man-

ufacturing enterprise, I think you will agree with me, that can not do much more than pay itself clear in 19 years can hardly be said to be profitable.

The CHAIRMAN. Will you explain, Captain, right there, why no dividends were paid?

Mr. MOSER. There were not sufficient profits. Nineteen hundred and five was a disastrous year. We lost over a million and a half dollars during that year.

The CHAIRMAN. How?

Mr. MOSER. It came about through different circumstances.

The CHAIRMAN. Were there any exceptional circumstances?

Mr. MOSER. It was because of the condition of the market. In 1904 the pack came in and the price was raised, if my recollection serves me right, to \$1.30 a dozen. The trade would not take it. That pack was stored, warehoused, a good deal of it was sent to England, and on top of that came the 1905 pack, and there was on hand the packs of two seasons, the money for which had been borrowed. There was interest to be paid on the borrowed money; there were warehouse charges; there were taxes and all those features, and we had to get rid of it. The result was that that pack had to be gotten rid of at 85 cents for the sockeye, and we lost a pot of money. The amount lost that year was, I think, \$1,800,000.

The CHAIRMAN. Have you used any of your income for the purpose of building new ships or acquiring new property?

Mr. MOSER. Yes; we have used a good deal of our money for betterments and all that kind of thing right along.

The CHAIRMAN. Was there anything exceptional in those years?

Mr. MOSER. No; not in those years. In 1904 we lost \$118,755; in 1905 we lost \$1,805,385.

The CHAIRMAN. That is, your outgo was that much greater than your income?

Mr. MOSER. It was that much greater than our income. In 1906 we lost \$34,762. Those were our three disastrous years. Then we picked up again.

The CHAIRMAN. Can you furnish us a statement showing your expenditures for each year and the purpose for which the different items were expended, say, from 1900 down to the present time?

Mr. MOSER. Well, I can give you a recapitulation of our yearly statements which is in this form, if you think that that would answer the purpose.

The CHAIRMAN (after examining paper). I wish, if possible, that we could get a statement that would go a little more into detail, Captain.

Mr. MOSER. I can give you the profits we have made each year. I have that here. I can tabulate that. I shall bring that in in a moment, giving the average profits.

Mr. WICKERSHAM. Senator, will you permit me to ask the captain a question?

The CHAIRMAN. Certainly.

Mr. WICKERSHAM. Captain, did not you publish in the Fisherman, a newspaper published in Seattle, a complete statement of your profits? Do not you do that each year?

Mr. MOSER. We make a regular annual statement.

Mr. WICKERSHAM. An annual report?

Mr. MOSER. That is what I refer to here now. That gives the profits—profit and loss.

The CHAIRMAN. Does not your annual report contain a more detailed statement as to these different asset items?

Mr. MOSER. If you will notice there, Senator, there are some other items. For instance, current repairs and replacements; additions to plant; depreciation; appraised values; amount expended for improvements and repairs to the fleet; depreciation of fleet. That runs through. That report, Senator Jones, is the annual report, which is read before the stockholders at their annual meeting.

The CHAIRMAN. This was for 1911?

Mr. MOSER. That is the last one, 1911.

The CHAIRMAN. I think we will have this report incorporated in the record.

Mr. MOSER. That will give you a regular statement of our business.

The statement is as follows:

NINETEENTH ANNUAL STATEMENT OF ALASKA PACKERS' ASSOCIATION, SAN FRANCISCO, 1911.

Directors and officers, 1911.—Directors: Henry F. Fortmann, Isaac Liebes, W. B. Bradford, D. Drysdale, Francis Cutting, William L. Gerstle, Louis Sloss, Henry E. Bothin, George L. Payne, John Daniel, and William Timson. Officers: Henry F. Fortmann, president; Louis Sloss, vice president; William Timson, vice president; Isaac Liebes, treasurer; A. K. Tichenor, secretary.

SAN FRANCISCO, January 16, 1912.

To the stockholders of the Alaska Packers' Association:

On behalf of the board of directors of this corporation, I submit the following report of the business of the association for the year 1911:

Capitalization.—The capitalization of the company remains the same, viz, \$7,500,000 authorized capital, divided into 75,000 shares of the par value of \$100 each. The present issue is 57,508 shares, leaving 17,492 shares in the treasury of the company.

Auditing.—In accordance with the usual custom, all of the books, accounts, and vouchers of the association were examined, checked, and audited by the auditor, Mr. W. W. Armstrong, who has reported as follows:

SAN FRANCISCO, January 8, 1912.

To the president and board of directors of the Alaska Packers' Association.

GENTLEMEN: Since my last annual report, my duties as general auditor of the association have been as follows:

1. Counting the cash on hand daily, verifying it with revolving fund, and daily financial statement.
2. Checking daily financial statement.
3. Checking vouchers for all cash disbursed during the year.
4. Checking bank accounts monthly.
5. Auditing cashier and voucher clerk's bills of purchases and payments, being a check upon cashier, purchasing and shipping departments for goods ordered, delivered, priced, calculated, and approved.
6. Checking postings of controlling and subsidiary ledgers, with their auxiliary books, the journals and cash book.
7. Checking final reports of salmon discharged from vessels, disposing of entire cargoes.
8. Checking salmon invoices with salmon journal, together with sales and stock book connected with shipping department, also certificates of export entered for drawback.
9. Recording all stock transferred during the year, as per stock transfer journal and ledger.

Status at the closing of books for annual meeting:

	Shares.
Outstanding—new issue of May 1, 1905.....	57,503
Outstanding—old issue (in process of liquidation).....	5
Total issue.....	57,508

All of the foregoing work I have the honor to report as being correct.

Respectfully,

W. W. ARMSTRONG, Auditor.

The accounts have also been audited by Price, Waterhouse & Co., chartered accountants, and their certificate is attached.

Insurance accounts.—The association carries its own insurance on buildings, wharves, machinery, equipments, furniture, and on product in the course of manufacture and finished in its own plants; also on all floating property and on cargoes of box shooks, lumber, and coal. All up and down general cargoes are insured at full values, and salmon and merchandise stored in warehouses in San Francisco at about one-half values.

Insurance funds.—At the close of 1910 the fund showed a credit of \$819,213.04 and earned \$367,325.11 for 1911.

The amounts charged for losses and expenses aggregate \$22,230.69.

The insurance fund now amounts to \$1,164,307.46; of this, \$1,158,196.08 is invested in bonds.

Pack.—The association's pack of salmon for the season was as follows:

Sockeye.....	cases..	26, 383
Red.....	do....	588, 348
King.....	do....	16, 968
Coho.....	do....	24, 734
Pink.....	do....	359, 701
Chums.....	do....	36, 881
Total.....		do.... 1, 053, 015
Salt salmon.....	barrels..	2, 629

Markets.—During 1911 the salmon markets have been brisk.

Plants.—The following canneries were operated:

Alaska:

Nushagak.....	2
Kvichak.....	2
Naknek.....	3
Egegak.....	1
Chignik.....	1
Alitak.....	1
Karluk.....	1
Cook Inlet.....	1
Fort Wrangell.....	1
Loring.....	1
— 14	

Puget Sound:

Anacortes.....	1
Semiahmoo.....	1
— 2	

Total..... 16

Current repairs and replacements amounting to \$384,102.57 have been charged to operating cost. New improvements and additions to plants have been made at a cost of \$132,307.91. There has been written off from plants on account of depreciation \$117,221.39, making the present appraised value of plants \$4,332,915.10.

Fleet.—The schooner *Metha Nelson* has been purchased, the steamer *Sannak* and launches *Falcon* and *Owl* built, at a cost of \$47,460.76.

The steamer *Kayak* was sold for \$12,000. The steamers *Pacific* and *Sockeye* were condemned.

There has been expended for improvements and repairs to the fleet the amount of \$207,726.43. There has been written off from fleet values for depreciation the sum of \$99,981.27, leaving the present appraised value of the fleet \$1,423,900.

The association now owns 9 ships, 11 barks, 1 barkentine, 3 schooners, and 59 steamers and launches, a total of 83 vessels.

Medical stations.—The association maintains six medical stations in Alaska. All employees and all natives are given free medical treatment and medicines.

Expenditures in Alaska.—The policy of the association to assist in the development of Alaska has been continued, and expenditures exceeding \$250,000 for the year were made in the Territory.

Salmon hatcheries.—The two salmon hatcheries of the association have continued operation. During 1911, from the 49,626,000 red salmon eggs taken in 1910 at the Karluk salmon hatchery, 37,722,000 fry were liberated and 41,026,000 red salmon eggs were taken. From the 34,920,000 red salmon eggs taken at the Fortmann salmon

hatchery in 1910, 30,245,000 fry were liberated and 107,520,000 red salmon eggs were taken in 1911.

In Alaska the Government continued operating large salmon hatcheries on McDonald Lake and at Litnik, Afognak Island.

Physical condition of plants and fleet.—The canneries, hatcheries, shipyard, and fleet of the association have all been kept in a very high class condition, and more than fully equipped to meet all demands on them. Each cannery has machine and general repair shops; every cannery district is provided with shipways to haul out vessels; large stocks of material, reserve machinery, and other equipments are kept on hand to provide for all probable contingencies.

The shipyard at Alameda is equipped with a general woodworking plant, machine shop, and other appliances sufficient to make all but the larger improvements and repairs to vessels and to build and repair cannery machinery.

Bonded indebtedness.—During the year 1911, \$68,000 of the bonds of the association were redeemed and canceled, reducing the bonded indebtedness to \$1,078,000.

Profits for the year.—The insurance fund has increased \$345,094.42.

The profits for 1911 were \$631,898.55.

Dividends.—Quarterly dividends of \$1.50 per share have been paid during 1911. For the board of directors:

HENRY F. FORTMANN, *President.*

SAN FRANCISCO, *January 8, 1912.*

To the stockholders of the Alaska Packers' Association, San Francisco, Cal.:

We hereby certify that we have examined the books of the Alaska Packers' Association for the year ending December 31, 1911, and that the balance sheet at that date is correctly prepared therefrom and shows the true financial condition of the company at that date.

We have satisfied ourselves that during the year actual betterments only have been charged to plant and fleet accounts, and that reasonable provision has been made for depreciation, all current repairs and replacements having been charged to operating cost.

We have also satisfied ourselves that the inventories have been taken at San Francisco cost prices, and that full provision has been made for bad and doubtful accounts receivable, and for all ascertainable liabilities.

The securities for the insurance-fund investments were exhibited to us on December 22, 1911.

PRICE, WATERHOUSE & Co.,
Chartered Accountants.

Annual statement Alaska Packers' Association, year 1911.

Assets:

Canneries, fleet, etc.....	\$5, 756, 815. 10
Inventories.....	1, 351, 161. 76
Insurance-fund investments.....	1, 158, 196. 08
Accounts receivable.....	292, 401. 66
Cash on hand.....	320, 969. 90
	<hr/>
	8, 879, 544. 50

Liabilities:

Capital stock.....	5, 750, 800. 00
Bonds.....	1, 078, 000. 00
Current indebtedness.....	76, 336. 15
Insurance fund.....	1, 164, 307. 46
Contingent reserve.....	178, 202. 34
Profit and loss.....	631, 898. 55
	<hr/>
	8, 879, 544. 50

A. K. TICHENOR, *Secretary.*

SAN FRANCISCO, *December 30, 1911.*

Directors and officers elected for year 1912.—Directors: Henry F. Fortmann, Isaac Liebes, W. B. Bradford, D. Drysdale, Francis Cutting, William L. Gerstle, Louis Sloss, Henry E. Bothin, George L. Payne, John Daniel, and William Timson. Officers: Henry F. Fortmann, president; Louis Sloss, vice president; William Timson, vice president; Isaac Liebes, treasurer; A. K. Tichenor, secretary; G. E. Geary, cashier.

Mr. DORR. I would like to state, for the information of the committee, and possibly as an assistance to Capt. Moser, that I have, without any consultation with him and without any regard to the case of the company that he represents, taken their reports which are published, subject to the inspection of the public, for the entire 19 years, and I have made up the net result for the whole 19 years, which I can furnish if requested, if you would like to have it.

The CHAIRMAN. I think that would be well, Mr. Dorr. We will put that into the record for study.

Mr. DORR. It is simply the compilations boiled down for all these years—the whole history. I did that before leaving home.

The CHAIRMAN. Has the captain examined that?

Mr. DORR. No; I do not think he has seen it.

The CHAIRMAN. Possibly it might be well for you to allow the captain to examine that, Mr. Dorr, so that if he would like to make any explanations or suggestions in regard to it we could have that appear in the record at the time it is presented. I think probably that would be fair to the captain.

Mr. MOSER. I think, however, Senator, as Mr. Dorr was connected with the company for a long period of years, more in the capacity in which the accounts and figuring were taken cognizance of, that he probably was well equipped to take these reports and analyze them. I understand he has done that work.

The CHAIRMAN. I thought it would be fair to you. We can hold that until the next hearing, Mr. Dorr. In the meantime Capt. Moser can look over it if he wishes and then we can put it into the record with any suggestions he cares to make in regard to it.

Captain, you may now proceed.

Mr. WICKERSHAM. I notice here is a certificate of Price, Waterhouse & Co. attached to this printed statement. Is that the statement that that original was attached to?

Mr. MOSER. We have an auditor in the office who audits the accounts daily, and then at the end of the year we have an outside expert come in who goes over all our accounts and books for the year. That is his certificate of having audited these accounts. That certificate covers the summary and all.

Mr. WICKERSHAM. Was that certificate attached to the statement as it is now printed here?

Mr. BROWNE. Was that certificate attached to the statement presented at the annual meeting?

Mr. MOSER. At that time; yes.

Mr. WICKERSHAM. It was attached to this statement?

Mr. MOSER. It was attached to this statement; yes.

Mr. WICKERSHAM. Well, then, where is the balance sheet that he certifies to here?

Mr. MOSER. This is only a summary of the business of the company.

Mr. WICKERSHAM. Yes; but what I want to know is, where is the balance sheet that these people certified to?

Mr. DORR. It is on the last page. Just following.

Mr. WICKERSHAM. That is an annual statement; it is not a balance sheet.

Mr. DORR. Yes; that is also a balance sheet.

Mr. WICKERSHAM. Is that the balance sheet that they have reference to there? Do you know, Captain?

Mr. MOSER. No; I do not know positively. I do not know enough about the bookkeeping end to certify to that.

The CHAIRMAN. You may proceed, Captain.

Mr. MOSER. Our average profit per case for Alaska salmon during 19 years has been $35\frac{1}{2}$ cents per case, or a little more than two-thirds of a cent per 1 pound can. I would therefore submit that to demand one-third or one-fourth of the season's profits, as provided by the bill, from an unremunerative business, appears unreasonable. Our figures agree with the Government reports as follows, taking the year 1910, which is the last issue of the Government report, and our own data, we have the following: We packed in that year 915,263 cases, at a profit of \$454,011, or $49\frac{1}{2}$ cents per case profit.

Now, comparing this with the Government report, so far as we have the data, which is Bureau of Fisheries Document No. 746, pages 18 and 19, I would like to read to you just a few lines of this report that was made upon the business at that time. It states:

Considerable misapprehension seems to have arisen among readers of this report as to the profits of the cannery men, which have appeared to them enormous. Such an erroneous conclusion is apparently based on the assumption that the price received for the canned product represents practically net profits. For eight years prior to the 1910 season but few of the cannery men received an adequate return upon the capital invested, while many of them sustained heavy losses during certain years. It has been found difficult to secure accurate data showing the cost of operation, and several items, such as insurance, taxes outside of Alaska, commissions paid the brokers, etc., have not been taken into account, but it is hoped in time to include these.

Then follows a table which gives the number and value of the steamers, transporting vessels, and so on, and then the total amount of material used—the value of it—and the total amount of wages paid.

The CHAIRMAN. I think we had better have that table put into the record, Captain.

Mr. MOSER. I have the part that I intended to give taken here from this table. I have made reference to it and I have a tabulated sheet here by which it will be seen that our figures of our profits agree very closely with the profits as worked up from the Government report.

Mr. WICKERSHAM. May I ask the captain a question or two?

Mr. MOSER. Certainly; yes, sir.

Mr. WICKERSHAM. Who prepared that report?

Mr. MOSER. This report?

Mr. WICKERSHAM. Yes.

Mr. MOSER. Mr. Marsh, the agent of the salmon fisheries of Alaska, and Mr. Cobb, assistant agent.

Mr. WICKERSHAM. Those figures were given to Mr. Cobb by the company, were they not?

Mr. MOSER. I fancy so; yes.

Mr. WICKERSHAM. They ought to agree with your statements if you gave them the correct figures at that time.

Mr. MOSER. This sums up all the companies. Mr. Millard C. Marsh and Mr. John N. Cobb both are men who have been in contact with the salmon fisheries for a number of years and probably, from their knowledge, have been able to compile certain data independent of the companies.

Mr. WICKERSHAM. But you know the Government does not compile any data in respect to these matters and obtained all its information from the companies themselves.

Mr. MOSER. Yes; they must get their data from the companies. I do not think they have any other way of obtaining it. Of course, they have the privilege of examining their books and all that.

Mr. WICKERSHAM. That is all.

Mr. MOSER. Now, I have taken the pack of 1910 under the different species.

The CHAIRMAN Do you mean the pack of your company or the entire pack?

Mr. MOSER. The entire pack—I have taken the selling price at first hand and find that the pack of 1910 consisted of 2,438,777 cases, at a total value of \$10,568,985.20, or an average value per case of \$4.33. I have now taken from the Bureau of Fisheries Document No. 746 the value of material used and the amount of wages paid, which makes a total of \$7,691,658, or an average cost per case of \$3.15, or an average profit per case of \$1.18.

To this, however, as this only included materials and wages, we have included an estimate of the amount of outside expenditures. I have included fire insurance, marine insurance, transportation charges southeast Alaska, transportation of 1,500 men to and from southeast Alaska, taxes outside of Alaska, depreciation on plant and fleet, stevedoring, storage, drayage, etc., wharfage charges at San Francisco rates, towage, towage and harbor dues for 50 vessels, winter repairs to transporting vessels, drydocking, repairs to hull, sails, and rigging, and general office and managing expense. All of which amounts to \$1,685,871.30, or an average per case of 69 cents, which, from the profit of \$1.18, leaves an average profit per case of 49 cents to the canners.

The CHAIRMAN That first item of \$7,000,000 for labor represents the amount that was paid for labor and material?

Mr. MOSER. It is for material and labor alone.

The CHAIRMAN. Can you furnish us a more detailed statement with reference to the expenditure for material?

Mr. MOSER. That would be a very difficult matter, Senator, to give the details. You would have to have all the materials that enter—

Mr. DORR. Senator, I have figures of all the items which enter into the cost of a thousand cases, including the principal items of material, such as the tin plate, boxes, labels, solder, etc.

The CHAIRMAN. This is what I had in mind: Whether included in that item was the purchase of new ships, for instance.

Mr. MOSER. No.

The CHAIRMAN. Or the building of any new buildings?

Mr. MOSER. No; nothing of that kind. This is only the material that enters into the pack; that is all—tin plate, solder, zinc, lead, lacquer, nails, boxes, and material of that kind.

The CHAIRMAN. That is the information I wanted.

Mr. DORR. New ships and new buildings go into capital account in these various statements and they are not chargeable to operating expenses.

Mr. MOSER. This material is simply the material that goes into the product to make cans of salmon and put them into boxes.

Now, these figures are as follows: Forty-nine cents was the profit derived under these figures. I have taken our own pack, on which we have probably more accurate data. We packed, as I said before, 915,263 cases at a profit of \$454,011, or a profit per case of 49.6 cents. We differ 0.6 cent from the amount we computed on the whole pack, using whatever data we have from the Government.

Mr. WICKERSHAM. What year was that?

Mr. MOSER. This is 1910. It is the last year we had any Government report on which we could get the data. If you wish I will embody this table in the record.

The CHAIRMAN. You may do that.

The table is as follows:

Statement of pack cost and profits of all salmon canneries operating in Alaska during 1910, based on United States Bureau of Fisheries reports and statistics contained in Document No. 746 of that bureau, with conservative cost items added thereto which are not included in above-mentioned document and assuming that the entire pack passed from first hands at opening prices.

Net selling value of pack, brokerage deducted:

King, 40,275 cases, at \$5.04.....	\$202, 986. 00
Red, 1,472,587 cases, at \$5.04.....	7, 421, 838. 48
Coho, 114,189 cases, at \$4.68.....	534, 404. 52
Pink, 557,508 cases, at \$3.....	1, 672, 524. 00
Chum, 254,218 cases, at \$2.90.....	737, 232. 20

Total net value 2,438,777 cases..... \$10, 568, 985. 20

Average value per case, \$4.33.

Cost of pack:

Materials used (see Doc. No. 746, p. 19).....	4, 389, 799. 00
Wages paid (see Doc. No. 746, p. 19).....	3, 301, 859. 00

Cannery cost (per Doc. No. 746, p. 19)..... 7, 691, 658. 00
Average cost per case, \$3.15.

Cannery profit (per Doc. No. 746)..... 2, 877, 327. 20

Average profit per case, \$1.18.

From which deduct:

1. Fire insurance on pack, net valuation \$10,568,985.20, at 2½ per cent per annum for six months.....	132, 112. 31
2. Marine insurance on pack in transit ex-Alaska, \$10,568,985.20, at 3 per cent.....	317, 069. 55
3. Transportation charges on southeastern Alaska pack by regular steamship lines, say 40,000 tons, at \$4 per ton.....	160, 000. 00
4. Transportation of 1,500 men to and from southeastern Alaska, at \$10 per man each way...	30, 000. 00
5. Taxes outside of Alaska at an approximate cost based on pack of 2,438,777 cases, at 2½ cents per case.....	60, 969. 42
6. Depreciation on plant and fleet—\$10,649,091, at 5 per cent.....	532, 454. 55
7. Stevedoring, storage, drayage, etc.—	
Stevedoring, approximately 95,000 tons, at \$0.35.....	33, 250. 00
Storage, drayage, etc., 2,438,777 cases, at \$0.03.....	73, 163. 31

From which deduct—Continued.

8. Wharfage charges (San Francisco rates), 95,000 tons, at \$0.15.....	\$14, 250. 00
9. Towage and harbor dues for 50 vessels inward, average \$250 each.....	12, 500. 00
10. Winter repairs to transporting vessels, dry-docking, repairs to hull, sails, and rigging, painting and general upkeep—50 vessels; average, \$2,500 each.....	125, 000. 00
12. General office and managing expense at an approximate cost for 1910 of 8 cents per case for pack of 2,438,777 cases.....	195, 102. 16
Total cost, not included in Document No. 746; average per case, 69 cents.....	\$1, 685, 871. 30
Net profit to canners; average per case, 49 cents.....	1, 191, 455. 90

SUMMARY.

Net valuation per case.....	\$4. 33
Cannery cost per case (Doc. No. 746).....	\$3. 15
Additional cost per case, as above.....	. 69
Total cost per case.....	3. 84
Net profit per case.....	. 49
Alaska Packers' Association pack, 915,263 cases; profit, \$454,011; per case...	. 496

NOTE.—These figures assume that the item "Materials used," in Document No. 746, includes the items on fire insurance on plants, charter of ships, stevedoring and towage outward, marine insurance on up cargoes, and materials used for repairs to plants and vessels in Alaska. In other words, the assumption is that the item \$4,389,799 is the total cost of all material used for all purposes landed at the salmon canneries. No interest on plant or on investment in outfit has been included.

Mr. MOSER. I will now continue. Most extraordinary statements have been made and are still being made by the writers in the press and magazines, as well as by others who should know better, as to the value of the salmon taken out of Alaska, often in terms of many million dollars. In order to form a correct idea of conditions, I may state that practically everything that enters the pack excepting the raw fish, a small portion of the labor, and some boxes, is carried to Alaska from the coast States.

For the company's pack which I represent alone in Alaska we must have on hand about 160,000 boxes of tin plate, which weighs in the neighborhood of 8,000 short tons. We use over 7,000,000 feet of lumber for boxes; we buy our nails by the carload. We use about 13,000 tons of coal, and I may say here—I do not know how much you may be interested in the Alaska coal question.

The CHAIRMAN. We are very much interested in it now, Captain.

Mr. MOSER. Unless that Alaska coal could be placed in supply depots where our vessels could be furnished with it at San Francisco at a cost less or equal to the coal that is supplied from other regions, there would not be a pound of that coal which we would get from Alaska. It would not be possible.

Mr. WICKERSHAM. There is not anything else you use up there that comes from Alaska, is there?

Mr. MOSER. Yes; we use boxes. We would be very glad to take all the boxes for our pack from Alaska.

Mr. WICKERSHAM. I am talking of what you buy from Alaska.

Mr. MOSER. You mean what we do buy in Alaska?

Mr. WICKERSHAM. Yes.

Mr. MOSER. We buy boxes there.

Mr. WICKERSHAM. To what extent?

Mr. MOSER. We buy about 200,000 cases of boxes.

Mr. WICKERSHAM. Where do you get them?

Mr. MOSER. Ketchikan and Wrangell.

The CHAIRMAN. What portion of your boxes do you get in Alaska?

Mr. MOSER. This year we bought 150,000 cases at Ketchikan, and about 100,000 at Wrangell; but we would be very glad to supply all those cases from Alaska if we could get them. In fact, we have even been considering, to encourage the industry in Alaska, sending our vessels into Ketchikan. We have even gone so far as to interview the mills at Ketchikan to see if we can get them there. We would be very glad to ship them there if we could.

The CHAIRMAN. Why is it they could not furnish you lumber and boxes?

Mr. MOSER. You mean for western Alaska?

The CHAIRMAN. Yes.

Mr. MOSER. They could possibly furnish some, Senator, but the risks of navigation at the time of the year when our vessels could call in there are so great that we have hesitated about making any arrangements for getting cases in southeast Alaska and carrying them to the westward. We have had the matter under consideration; but to send a large deep-water vessel in the month of February through Dixon Entrance, which would then have to be towed 90 miles without having safe and proper means for towing, then having the vessel lie there for a month or two, and then come out again, going to the westward to Bering Sea, we considered a little too great a risk under present conditions.

Mr. WICKERSHAM. As I understand it, all the boxes and materials and everything else used to the westward come from San Francisco?

Mr. MOSER. Yes; and Puget Sound.

Mr. WICKERSHAM. In southeast Alaska, you do buy some things from the mills?

Mr. MOSER. We buy some things from the mills. We also buy from the stores there. We do not take as much supplies to our southeast Alaska locations as we do to our other locations, because you will readily understand—it is our experience, at least—that it pays us to pay a little more for an article if we can obtain it in the stores in the localities than for us to carry a large amount of capital in stores to a place, much of which will not be used at all.

Mr. WICKERSHAM. You have a slop chest that you take to these northern canneries, and out of that you sell to the men who work for you, do you not?

Mr. MOSER. We have no stores ourselves.

Mr. WICKERSHAM. You sell out of your slop chests?

Mr. MOSER. Oh, slop chests are operated by the superintendents entirely.

Mr. WICKERSHAM. But they go up on your vessels and they furnish the men that work for you merchandise from the slop chest?

Mr. MOSER. Yes.

Mr. WICKERSHAM. To what extent is that true in southeastern Alaska?

Mr. MOSER. In southeast Alaska the slop chest is almost nil. Everything is purchased in our two localities there from the local stores, so far as the slop chests are concerned.

At the Loring cannery, where we pack 150,000 cases, we have no slop chest. There is a store in the town of Loring and one at Ketchikan.

Mr. WICKERSHAM. Who runs the store at Loring—Heckman?

Mr. MOSER. Heckman's brother.

Mr. WICKERSHAM. That is the Heckman store?

Mr. MOSER. It is not a branch of the Ketchikan Heckman's store; it is independent of that.

Mr. WICKERSHAM. They are interested in the salmon fishery?

Mr. MOSER. Yes.

Mr. WICKERSHAM. With you folks?

Mr. MOSER. Yes.

Mr. WICKERSHAM. Is it not true that you take up all their supplies for them—at least part of them?

Mr. MOSER. At the Heckman store?

Mr. WICKERSHAM. Yes.

Mr. MOSER. No, sir; none whatever. They are all sent up from Seattle; purchased in Seattle and shipped by steamer.

The CHAIRMAN. How much coal did you say you used up there, Captain?

Mr. MOSER. About 13,000 tons.

The CHAIRMAN. If coal were available at Cordova, or Katalla, or Seward, or anywhere along there, would you use any of that?

Mr. MOSER. Practically none, because we would have to send our vessels into that locality, say, twelve or fifteen hundred miles, and then turn at right angles to the westward.

The CHAIRMAN. So that would not be near your point of operation?

Mr. MOSER. No, sir; the nearest would be our Cook Inlet cannery; but we probably would have to send that vessel up in ballast just to get that 800 tons of coal which we require at that cannery.

The CHAIRMAN. Therefore if coal was made available there it would not be of any benefit to your company one way or the other?

Mr. MOSER. It would not help us at all.

Now, then, I will continue.

We use many thousand gallons of gasoline, distillates, lubricating oils, fuel and other oils, pig lead, pig tin, and zinc, in vast quantities, not to mention the chemicals used, such as acids and caustic soda. We use millions of labels, thousands of gallons of lacquer, and many hundred tons of provisions to feed the army of men we carry to Alaska.

The item of labor is large. For the whole Alaska pack it is given in the Bureau of Fisheries report for 1910 as \$3,301,859, and for the whole Pacific coast pack it is estimated at \$6,600,000.

The CHAIRMAN. Now then, Captain, will you describe to us the method of securing your labor?

Mr. MOSER. We secure our labor in a similar manner to that described by Mr. Warren yesterday. There are certain men whose business it is to gather labor from certain centers. When we need these men we need them in large numbers. Our labor is of two kinds, white labor and cannery labor, which consists of what we now call the oriental labor. The white labor consists of fishermen, mechanics,

and cooks, and the oriental labor are those men who do the processing of the cans.

The white labor—the fishermen and the mechanics also—are signed on regular shipping articles, and they are paid before the United States shipping commissioner. The oriental labor is chartered for, or is contracted for, through Chinese contractors, men who have been in this business for many years and who know the class of labor we want and how to handle it. They are contracted for at so much per case, as was stated by Mr. Warren.

The white labor we board and feed ourselves. The Chinese labor is fed by the contractor.

The CHAIRMAN. You transport them?

Mr. MOSER. We transport them. The Chinese get salt and wood. I think that is what we are supposed to furnish them. When I say "Chinese" I mean oriental labor. There are very few Chinese left.

The CHAIRMAN. In general, what are the terms of your contract with the man who furnishes you the oriental labor?

Mr. MOSER. In a general way I think we are paying now in the neighborhood of—we guarantee them a certain number of cases per line of machines. In our case we will take the Bering Sea as an example. We guarantee them 23,000 cases to the line of machines. Whether they make that 23,000 cases or not, they are paid for that.

The CHAIRMAN. If they make more they are paid for that, too?

Mr. MOSER. If they make more than 23,000 cases they are paid the overamount at so much per case.

The CHAIRMAN. I do not know that I understand just exactly what is meant by the expression "line of machines."

Mr. MOSER. A line of machines consists of a line for processing the cans from the time the fish are received at the end of the cutter until they are delivered into the bathroom or place where they are cooked. It consists of a fish cutter which cuts the fish, a filling machine, a weighing machine, a clinching machine, a heater, and a steamer. I am mentioning now the new process—the sanitary canning process. From the heater they go to the bathroom. That is what we call the line.

The CHAIRMAN. In other words, that applies to the machinery at one cannery?

Mr. MOSER. We may have more than one line. Usually at one of our larger canneries we have four lines.

The CHAIRMAN. That is four sets of machines?

Mr. MOSER. Four sets; yes. We usually outfit a cannery with material and men and contract on a basis of 25,000 cases to the line for the season. We rarely make that, but that is what we outfit for, and we guarantee, as I said before, for 23,000 cases.

The CHAIRMAN. If you only get 20,000 cases, the contractor is paid for 23,000 cases.

Mr. MOSER. Yes; for instance, last year, 1911, which is usually looked upon as a very profitable year in Alaska. It was profitable in southeast Alaska, but we lost a lot of money in Bering Sea. We outfitted in Bering Sea for in the neighborhood of 750,000 cases. We made less than 400,000.

The CHAIRMAN. What did you contract for there, can you tell me?

Mr. MOSER. About 750,000.

The CHAIRMAN. That is, you contracted last year for the Bering Sea canneries for labor for 750,000 cases.

Mr. MOSER. About 750,000 cases.

The CHAIRMAN. And you got less than 400,000 cases?

Mr. MOSER. We got less than 400,000 cases. We paid there for about 350,000 cases we never received.

The CHAIRMAN. That is, you paid the labor—the oriental contract labor?

Mr. MOSER. At the same time, in all these western canneries we must take with us the amount of material to make the pack that we estimate to make, and the men that we take there, not only the Chinese, but our white men, we have to pay the run money and we have to feed them during the time they are there. The only thing we do not pay for when the pack is short and that is not an expense to us is the actual fish taken out of the water.

The CHAIRMAN. How much run money do you pay?

Mr. MOSER. \$100.

The CHAIRMAN. You pay \$100 run money?

Mr. MOSER. Yes.

The CHAIRMAN. So you have to put up the same \$100 run money for the white help for 400,000 cases that you would have to pay for 700,000 cases?

Mr. MOSER. Exactly. A machinist's wages, and all those wages, are monthly wages and go right along.

Mr. WICKERSHAM. Captain, I saw a statement in the paper not long ago—I think it was in March—that you were having a lot of trouble with your men in San Francisco because there was some disagreement there whether you would guarantee them \$200 for the summer's work or not.

Mr. MOSER. That was in reference to the oriental people. We have nothing to do with them whatever. We do not engage any orientals. That was a contest between the Chinese bosses or the labor contractors and these men. These men, however, that raised the question are the same men that are making all the trouble on the coast. They belong to the I. W. W.'s.

Mr. WICKERSHAM. They were white men, were they not?

Mr. MOSER. No; they were not white men. We have never had any trouble whatever with our white men. They were largely Porto Ricans and Filipinos and people that we do not want.

Mr. WICKERSHAM. How was the matter finally settled?

Mr. MOSER. We had no trouble at all. The men went on board. I think they first appealed to the Mexican consul, and the Mexican consul sent a representative down to the wharf, and he was more than agreeably impressed with the conditions of the men we took, with their quarters and food, and with the arrangement that had been made between the labor contractors and the men themselves.

Mr. WICKERSHAM. What I was trying to get at is were they paid the \$200?

Mr. MOSER. No.

Mr. WICKERSHAM. What was the agreement, \$150?

Mr. MOSER. I think they got \$150.

Mr. WICKERSHAM. That is what they have had in years gone by.

Mr. MOSER. Those are the orientals, or what we term the oriental people.

Mr. WICKERSHAM. The oriental people, then, get \$150 for the season?

Mr. MOSER. That is for the lowest grade of help. Others get more. Leak menders and testers, and men of that kind, skilled in the canning business, get more than that.

Mr. WICKERSHAM. Do not they get the same price?

Mr. MOSER. No. The experts get more money. There is some expert work to be done in the canning process. Take a tester, for instance. Our cans are tested three or four times by these expert testers before they are packed.

Mr. WICKERSHAM. Are they Chinamen?

Mr. MOSER. Chinamen usually. There are some of other nationalities who have become expert in that line of work. I have seen Japanese who make good testers. There are also some expert men in the bath-room where the cooking is done, men who are leak menders. If there is a leak in the can they find it and mend it. Those men all get high wages.

The CHAIRMAN. As I understand it, Captain, this oriental labor takes care of the fish from the time it is landed at your cannery until it is put into the can. Is that right?

Mr. MOSER. No; until it is delivered in the case.

The CHAIRMAN. Until it is delivered in the case. They put them into the cases.

Mr. MOSER. They label them and put them into the cases.

The CHAIRMAN. Practically all that work is done under this contract?

Mr. MOSER. Yes; under the Chinese foreman. But it is all supervised by the cannery foreman and a number of white men. We are now installing in our canneries what is ordinarily called the sanitary canning process. We are expending about \$500,000 in putting in the new machinery. This is the second year. By next year we will have the new machinery installed in all our canneries. The new machines will require fewer men. With the old machines we counted on 55 of this oriental labor to the line. With the new process we believe we can reduce it down to about 35, but we must have in addition to that more expert men. It is our experience, as it has been the experience of everybody, that where you get increased power or increased facilities you must have increased intelligence to control and direct that power and those facilities, and we shall be obliged to carry and are now in fact carrying more expert men—machinists and machinists' helpers and people of that class.

The CHAIRMAN. Those men you do not secure under these contracts?

Mr. MOSER. Oh, no; those men are paid monthly wages.

The CHAIRMAN. What arrangement does this contractor make with the men whom he employs as to their pay?

Mr. MOSER. They get an advance before they leave of \$40 to buy necessary clothing and their necessary outfit; but he has no hold on them at all. If they should choose to break away while in Alaska and run away or anything of that kind he has no hold on them.

The CHAIRMAN. Except they would lose the pay they would receive for the work they have already performed?

Mr. MOSER. Yes. Sometimes they lose men before they sail; sometimes a man who has received his advance runs away. The

contractor has no redress. I have known contractors to lose six or eight thousand dollars in advances.

Mr. WICKERSHAM. That is out of the contract.

Mr. MOSER. Yes; that is out of the contract.

The CHAIRMAN. He takes that into account in his contract with you?

Mr. MOSER. Yes.

The CHAIRMAN. Now, right in line with what Judge Wickersham was asking you, does he guarantee the men whom he employs a certain minimum amount of wages for the season?

Mr. MOSER. I think so; yes. I am not sure. Personally I do not make the contracts, but I think that is the case.

The CHAIRMAN. I supposed you understood their method of doing business.

Mr. DORR. I can answer that if you wish.

The CHAIRMAN. Yes; I wish you would.

Mr. DORR. The Chinese firm which makes the contract pays according to the class of work done. Their highest grades of men, which Capt. Moser has denominated as experts, receive the highest wages. From that it graduates down to the class which was spoken of a moment ago as having the trouble in San Francisco, these \$150 men, who are called roustabouts. They do the trucking and handling and lifting, the heavy part of the work.

These lower grades of men are paid so much for the season, and some of the middle classes are paid by the season, but as a general rule the Chinese contractors pay their higher classes of workmen by piece-work; that is, they apportion the work. For instance, one man, under the old system, is given the soldering machine, as it is called. It is his duty to see that the cans are soldered. He gets a percentage of the entire pack because of that work. The tester generally gets a percentage. It is very high wages. They have different ways of doing this. The bathroom men receive percentages and so on.

In a general way I think it is safe to say that a few of the higher class men get percentages of the whole contract price and the others get graduated scales of wages. Formerly, when the Chinese were more plentiful than they are now, and they did not have to make up these crews of the miscellaneous collection originating all the way from the Philippine Islands to Mexico, there was more of a profit-sharing scheme in vogue than there is now.

Mr. WICKERSHAM. That is, it was all done by the piece and the contractor settled with the men.

Mr. DORR. Yes, largely. He took a contract to do this work for so much a case—we will assume 50 cents a case—and he paid certain classes different parts of that 50 cents a case. But of late years they have had to go to other nationalities for help, and I understand that these outside men usually receive stated season's wages.

Mr. WICKERSHAM. Is 50 cents a case a fair average for the cost of canning salmon?

Mr. DORR. I think that is a fair average for the whole of Alaska.

Mr. WICKERSHAM. That is the labor cost.

Mr. DORR. It is cheaper a little in southeast Alaska and a little higher than that in Bristol Bay.

Mr. BROWNE. You speak of labor now.

Mr. DORR. I am speaking of the Chinese labor only.

Mr. MOSER. I think in some of the canneries—at least I have seen it—certain portions of the work is again subcontracted. For instance, take a man at the testing kettle. He gets an extra amount for attending to that work. He takes a contract from his Chinese foreman. They have a contract within a contract with each other, with which I am not familiar.

Mr. DORR. These Chinese keep accurate accounts and books and they make up complete statements, all in their own language, covering the accounts with all their men.

The CHAIRMAN. Now, Mr. Dorr, you can probably give a little more definite information as to whether or not they guarantee to each a minimum amount per season's work.

Mr. DORR. They do guarantee to all of the season's men a stipulated amount. I do not think it is a minimum amount. I think it is a flat sum and it runs from \$150 to \$200 per season for the cheaper grades of labor. That is they will hire these dozen or more men for the season, we will say, for \$175 flat for the season's wage per man.

The CHAIRMAN. Is that all they get for the season's work?

Mr. DORR. That is all they get—these roustabouts. This is the lowest grade of labor. They are also boarded and found.

The CHAIRMAN. I see.

Mr. WICKERSHAM. For how many years do you know them to have received more than \$150 per season?

Mr. DORR. Well, I think the last four or five years they have been paid \$175 on an average.

Mr. WICKERSHAM. All the contracts that I have been able to get hold of are for \$150.

Mr. DORR. \$150?

Mr. WICKERSHAM. Yes.

Mr. MOSER. I think that is the lowest amount paid and that is paid to what are termed the roustabouts, as Mr. Dorr has said; the men who do the laborers' work around the canneries. But the other men, the expert men, receive considerably more than that.

Mr. WICKERSHAM. Do they contract with the Chinese boss—

Mr. MOSER. At so much a case?

Mr. WICKERSHAM. At so much a case.

Mr. MOSER. We have nothing to do with the payment of individuals excepting we are now taking stringent methods to see that these men get their money. There have been some complaints that the workmen up there do not always get their money, and we are adopting methods now to see they get the money when they return.

The CHAIRMAN. What precautions are you taking?

Mr. MOSER. We see that they are paid in the presence of witnesses. Take the Filipinos and the Mexicans; they are great gamblers and if they can get any advances they will gamble their money away and have nothing when they get back. They will gamble the clothes off their back. They are like the Indians. A man will come in with hardly a rag on his back. A great many of the natives are also employed.

Mr. WICKERSHAM. But a native is only the equivalent of one-third of a white man.

Mr. MOSER. We would be only too glad if we could get all our labor in Alaska.

Mr. WICKERSHAM. But you do not get any of that there.

Mr. MOSER. Oh, yes, we do; we get cannery labor and we get fishermen there. We buy fish from the natives.

Mr. WICKERSHAM. But that is not at Bristol Bay.

Mr. MOSER. We take them on our own account at Bristol Bay frequently on our construction work and all that sort of thing.

Mr. WICKERSHAM. There is no population there to draw from, is there?

Mr. MOSER. There are very few; but natives will come in Bristol Bay from the interior. They will travel across from the Kuskokwim. I have noticed at Nushagak a number of laborers who have come from Kuskokwim.

The CHAIRMAN. You take fish from anybody who will bring it to you?

Mr. MOSER. Anyone; yes, sir.

Mr. WICKERSHAM. I understood, Captain, that you took up a sufficient number of fishermen to fill the pack.

Mr. MOSER. When I spoke of that, my mind went to southeast Alaska, where we give fishing gear to many natives. In fact, there are natives who have a claim on certain streams, and we give them the fishing gear and then buy their fish from them. When I say that we take them all up, of course I except a few of our men who live in Alaska permanently. We have at Chignik, I fancy, a community of 25 or 30 fishermen who remain there.

Mr. WICKERSHAM. Are they white men or Indians?

Mr. MOSER. They are white men; squaw men, some of them. Some live there during the winter by hunting and trapping. We have quite a little colony at Nushagak.

Mr. WICKERSHAM. Where is that colony at Nushagak, Captain?

Mr. MOSER. It is up in Bristol Bay. There are a few over at Kvichak and Naknek. At Afognak a number of men live, but it is my recollection that they are nearly all creoles.

Mr. WICKERSHAM. That is, Russian Indians.

Mr. BOWER. Is it not a matter of fact that the number of fish caught by native fishermen is almost entirely negligible—practically nothing—in the Bering Sea region?

Mr. MOSER. Oh, in the Bering Sea they are very few. The natives work around the canneries there. The condition of native life in the Bering Sea is the poorest of any in Alaska. Of course there are very few natives there, and they are the Eskimo and the Aleuts that we come in contact with there.

I should like to say a very few words in regard to the natives in connection with the canneries in Alaska as I go along.

Mr. BOWER. As to the employment of natives in the canneries, I would like to say that last summer I heard some complaint by the natives in the Afognak region. They said "The canning interests will offer us work, and we go to the canneries and put in all our time there, but they only employ us a few hours each day, and the aggregate amount of the wages paid is so small that we can not afford to work for them." That was the statement made by some of the Afognak natives. My understanding was that they were employed almost exclusively by the Chinese contractor and not by the companies themselves.

Mr. MOSER. Now, something about native wages. In segregating the wages paid for 1910, as given in Bureau of Fisheries report, we

find that to 2,765 natives employed \$339,142 was paid. That runs considerably over \$100 to each native. It would be about \$125 to each native. That is only for a short time of actual employment.

Mr. BOWER. Most of the natives are employed in southeastern Alaska.

Mr. MOSER. Not only the men but even the children are employed there. I have seen children repeatedly employed—little tots 10 years of age—piling cans, for instance, with their mothers. They were getting 15 cents an hour.

Mr. WICKERSHAM. Is not that very largely in southeast Alaska?

Mr. MOSER. Where the natives are employed?

Mr. WICKERSHAM. Yes.

Mr. MOSER. Why, Judge, the Aleut will cross the Alaska peninsula and go up to Bering Sea. We have a number of Aleuts in Bering Sea that come from the Afognak region.

Mr. WICKERSHAM. But your season is only 30 days in length?

Mr. MOSER. The season of actual fishing when the big run is on is about that.

Mr. WICKERSHAM. But the larger portion of the natives you employ are employed in southeast Alaska?

Mr. MOSER. Yes.

Mr. WICKERSHAM. The season there is six months you said.

Mr. MOSER. Mr. Dorr said that; but the season is hardly as long as that. The earliest packing you can do in southeast Alaska is—well, I should say the last of June. A few fish do run by the 20th of June, but the canneries find it hardly possible to turn the machinery over before the 25th or the 30th of June. If you pack until the 20th of September or the 1st of October you have a very good, long season.

Mr. DORR. Captain, in estimating the season at six months in southeast Alaska I did not intend to confine it strictly to the canning season, but more generally to the entire fishing season.

Mr. MOSER. That is true; yes.

Mr. DORR. I included in that a good deal of the fishing that is done for the fresh-fish market before the canneries are opened.

Mr. WICKERSHAM. So far as that market is concerned it is all the year round, is it not?

Mr. DORR. Well, I do not think you would hardly call it an annual season; but I do think it is at least six months.

Mr. WICKERSHAM. Does not that big plant there at Ketchikan, which freezes fish for the eastern market, run practically all the time?

Mr. DORR. That is largely on halibut.

Mr. WICKERSHAM. Yes.

Mr. DORR. I was referring to salmon, of course.

Mr. WICKERSHAM. But is it not true now that all of the natives are calculated in this statement by the Bureau of Fisheries upon the halibut and the salmon fishery both? Do you know?

Mr. DORR. I do not. Is that so, Mr. Bower?

Mr. MOSER. That, I think, is possible.

Mr. WICKERSHAM. I think it is.

Mr. BOWER. Comparatively few natives are engaged in the halibut fishery. The great bulk of the wages paid to the men involved is in connection with the salmon fishery.

Mr. DORR. I would like to give you a native instance, if I may, that came to my notice some few years ago when I was in San Francisco.

I was for several years, as Capt. Moser has said, connected with the Alaska Packers' Association. I was general counsel for the company and was in their general office in San Francisco during that period.

Mr. WICKERSHAM. Did not you organize the Alaska Packers' Association, as a matter of fact?

Mr. DORR. Oh, no, sir.

At the end of 1908 I severed my connection with the company and returned to my general law practice. During this period that I was in San Francisco a southeastern Alaskan Indian native came to my office one day, and, addressing me, he said, "I want to get \$25." I looked at him and I did not know him, and I said, "Who are you?" He said, "My name is So-and-so," giving his name, "I live in Ketchikan, and I work for your company up there fishing."

This was in the summer during the fishing season, and I asked him what he was doing down there in San Francisco at that time of the year. He said he had been down to southern California with his son, who was sick, and he had taken him down there for his health. He spoke as good English as I do. He was on his way home, he said, and he was short of money. "Well," I said, "you can not reach Ketchikan for \$25." He said "No; I know that, but when I get to Seattle I will be all right. I have money there." I said "Where is your money there?" He said "In the bank." I said "What bank?" He said "The Dexter Horton & Co. Bank." I said "Have you your bank book here?" He said "Yes, sir;" and he produced his bank pass book.

I looked at his pass book and saw that he had a considerable balance to his credit. I asked him if he had drawn any checks since this book was written up and said "No." I said "Very well; write a check for \$25 and I will give you the money," which I did.

His bank book showed that he had \$1,400 to his credit in the Dexter Horton Bank in Seattle, and he told me that he had saved that from fishing and that he worked for the Alaska Packers' Association up there and produced his fishing book of the season before and showed that to me. I was thoroughly satisfied the man was telling the truth in every respect and I freely gave him the money which he had requested. The check was paid all right. Later I asked the superintendent of that station about this Indian and he said that he knew him very well, and he was a type of high-class educated Indians that live in that district. Most of them were educated by Father Duncan at Metlakatla, on Annette Island. This Indian, in common with a good many of his class, was quite well off and reasonably prosperous.

Mr. MOSER. I have known the southeast Alaska Indians now for 16 or 17 years, and every time I go to that country I see a marked improvement in their condition. I also see an improvement in the Aleuts.

Now, in reference to the employment of the Aleuts at Afgonak or on Kadiak Island, our instructions to our superintendents are to employ all who will offer themselves and give them work. In fact, last year one of them came to San Francisco, and I took him up and found a boarding place for him and employed him at the yard all winter. I told the superintendent to bring some more down the following year. They are good men, excellent men, and willing to work. We housed and boarded him on the ship and made him comfortable.

The Eskimo in Bering Sea is not so promising. His habits are entirely different, and it is difficult to improve his condition; but there is an improvement, and I am satisfied in my own mind that that improvement is due to the salmon-canning interests in Alaska.

Mr. WICKERSHAM. Now, Captain, before salmon canning was ever thought of these natives of southeast Alaska were wood carvers, were they not?

Mr. MOSER. They did some totem sticks, and things of that kind, I believe.

Mr. WICKERSHAM. They built beautiful boats, and they did all kinds of carving.

Mr. MOSER. The Hyda Indians make beautiful canoes.

Mr. WICKERSHAM. And wooden baskets and blankets. Isn't it true that they did that before the salmon fisheries were ever instituted, and have been doing it ever since?

Mr. MOSER. All that work is becoming less and less. It is rather difficult to get baskets, and it is more difficult now than it formerly was. It is very difficult to get any of their blankets—the Chilkat blankets, for example.

Mr. WICKERSHAM. You can get plenty of them at Juneau. I have always been able to get them. Winter & Bond have a big store there. At Skagway we can get them. There are certain other stores where you can get them.

Mr. MOSER. You take a Chilkat blanket; I have not seen many in the last few years. Take one that you used to get for \$20 a few years ago, you will now have to pay \$60 for.

Mr. WICKERSHAM. That is true, but the Indians are still making them, but at an increased price.

Mr. MOSER. I do not think they are making so many as they did before.

Mr. WICKERSHAM. However, excuse me.

The CHAIRMAN. Why are they not making as many as they used to?

Mr. MOSER. They are employed in other lines of work. They do not have the time to do that work. I think that is the reason.

The CHAIRMAN. Whatever employment is given to the Alaska natives outside of purchasing fish from the fishermen is given to them by the contractors, is it not?

Mr. MOSER. Largely. The women particularly are employed, because they are better adapted to running the machines, arranging cans, and things of that kind. That work is more suitable for them.

The CHAIRMAN. You do not make any arrangements with these Alaska fishermen before you determine how many men they are going to send with you from San Francisco, do you?

Mr. MOSER. Well, we know from our locality about the amount of labor we can depend upon to get there.

The CHAIRMAN. Do you look after that or do these Chinese contractors look after that?

Mr. MOSER. That is for the fishing part.

The CHAIRMAN. I am talking now outside of the fishing part. I am talking about the labor that is taken care of by these contractors. As I understand it, you do not furnish labor to the Alaska people outside of the fishing part of it?

Mr. MOSER. No.

The CHAIRMAN. So that whatever they get outside of the fishing must be gotten through these contractors?

Mr. MOSER. Yes.

The CHAIRMAN. Then the contractor, unless he ascertains beforehand how many people he is likely to be able to get in Alaska, must make arrangements in San Francisco to furnish a full supply of labor to comply with his contract with you? He must get them all from San Francisco?

Mr. MOSER. Senator, we have had the same contractor go to the same place year after year. They have been with us many years. Therefore he knows the local conditions very well. He will go short so many men if he thinks he can get the full supply at that locality.

The CHAIRMAN. That is what I wanted to get at.

Mr. MOSER. If the men he should supply are not there, the superintendent, under our contract, is authorized to go out and hire men. In fact, he can take fishermen off their work, which has been done, and employ them in the cannery and give the fishermen the highest average rate of pay made by them.

The CHAIRMAN. I suppose those natives are very much like our Indians. If they are satisfied with the work under a certain boss or foreman one year, they are apt to come back to him the next year, and in that way he knows to a certain extent how many men he can get there.

Mr. MOSER. Yes. It is just as they do in the State of Washington. They come there from the surrounding districts and camp around the canneries. You will find in all the inland waters, in the byways on the western side of Prince of Wales Island, which is all cut up in little canals and channels, that villages are scattered in there over a distance of 60 or 80 or 100 miles. They gradually get around these canneries and camp where they get employment.

The CHAIRMAN. Have you ever known a time when it was impossible for any of these natives that wanted work to get it, when the canneries were in operation?

Mr. MOSER. When they were willing to work we have always given them work. We always have work when the cannery is running.

The CHAIRMAN. If the contractor should tell them he did not have any use for them, were they taken care of?

Mr. MOSER. No; we do not take care of them. But they do not come around until the canneries are running.

Mr. BOWER. Then it is only just during the maximum run, for a few days perhaps, when you put on extra men?

Mr. MOSER. No. Take our canneries of southeast Alaska. The Indians are employed there constantly during the season and we encourage the Indian labor. We throw a great deal of weight on that end of it. We like to see the natives employed.

Mr. BOWER. That is in southeastern Alaska; but in the Bering Sea that does not hold.

Mr. MOSER. No; but they always have an abundance to eat. The natives are always on the beaches looking for us in the spring. Even the dogs are wagging their tails in welcome. In a couple of weeks you will see them all fat and with their stomachs well filled they get independent and do not want to work. Of course that is the natural condition of native life.

I may say in this connection also that we maintain in Alaska six medical stations presided over by competent graduate physicians.

Our orders to all our superintendents and all our physicians are to attend all natives and give them free of charge all necessary medicines. I know that this is done because we have medical journals, blank forms kept by the medical officers, which are returned at the end of the season. I examine them personally and I know that a large number, at least several hundred, are treated in the different districts each year.

The CHAIRMAN. Do you maintain these medical stations all the year round?

Mr. MOSER. No. The medical officers go up on our vessels and come back with the vessels. When our canneries are closed there is no one there except the watchmen.

Mr. WICKERSHAM. That is true of all your canneries on Bristol Bay?

Mr. MOSER. We have three medical officers on Bristol Bay. We have one at Chignik on the south side of the peninsula; we have one at Karluk on Kadiak Island and one at Cook Inlet.

Mr. WICKERSHAM. And they stay there only while the cannery is in operation?

Mr. MOSER. Yes; they go up on the vessels and return with the vessels.

The CHAIRMAN. Are there any permanent native settlements there?

Mr. MOSER. Here and there; yes. Senator, our locations are from one end of Alaska to the other, and when you ask me a question my mind possibly may go to some location that is different entirely to another.

The CHAIRMAN. I mean, are there permanent native settlements at these different places where you have these medical officers?

Mr. MOSER. Yes; there are; but I think at the present time all these places—my mind is now running in the Bristol Bay district—that at all these places they now have schools, and for the district there is usually some one attached to the school system that is also a medical officer. For instance, I know last winter in Bristol Bay region that one of our doctors who went up there as our resident physician accepted service under the Bureau of Education and established a small hospital at Nushagak and attended the natives there all winter.

Mr. WICKERSHAM. You did not pay him for that, did you Captain?

Mr. MOSER. No; he was employed by the Bureau of Education.

The CHAIRMAN. I think we diverted you from your statements, Captain.

Mr. MOSER. Well, I expect that, Senator.

Mr. WEBB. Senator, I have a table here for the years 1908, 1909, and 1910 in regard to the Northwestern Fisheries Co., giving all the details you have been asking the captain about. Would this be the proper time to put that in as evidence?

The CHAIRMAN. I think it would.

Mr. WEBB. For instance, it gives the number of natives employed in and around the canneries; number of natives employed in fishing; amount of money paid the natives at canneries; amount paid the natives for fishing; number of men employed with permanent residence in Alaska; amount of money paid these white men; amount of money spent yearly for supplies that are purchased in Alaska from

resident firms or individuals; amount of money spent for tin plate; amount of money spent for solder; amount of money spent for labels; amount of money spent for fishing gear; amount of money spent for coal; amount of money spent for other supplies; number of cases packed yearly; amount of money paid transportation companies for freight and passenger service in connection with cannery operations.

The CHAIRMAN. Who prepared that statement, Mr. Webb.

Mr. WEBB. It was prepared by Mr. R. E. Small, secretary of the Alaska Salmon Cannery.

Mr. WICKERSHAM. What is that—the Alaska Salmon Cannery—a corporation?

Mr. DORR. Well, Mr. Small is the broker of this company—the agent.

The CHAIRMAN. Of the Alaska Packers' Co.?

Mr. DORR. Of this company Mr. Webb speaks of.

Mr. WEBB. The Northwestern Fisheries Co.

Mr. DORR. It is the Northwestern Fisheries Co.; a statement from their books.

Mr. WEBB. It covers their own business?

Mr. DORR. It covers their own business; just their own business.

Mr. BOWER. Was it prepared by an officer of the company?

Mr. WEBB. It was prepared by the secretary, Mr. Small.

Mr. DORR. It was prepared by Mr. Small from data furnished by Mr. Buschman, the general superintendent of the company, at my request.

Mr. WICKERSHAM. Are not all these facts given by the report of the Bureau of Fisheries?

Mr. BOWER. Not in such detailed form, sir.

The CHAIRMAN. Well, we will put this into the record. I think that will give us information along the lines we have been inquiring about.

The statement is as follows:

Northwestern Fisheries Co.

[Data furnished Mr. R. E. Small, secretary Alaska Salmon Cannery.]

	Nushagak.			Chignik.		
	1908	1909	1910	1908	1909	1910
Natives employed in and around cannery.....	12	12	13	9	8	10
Natives employed fishing.....	11	14	9	None.	None.	None.
Paid to natives at cannery.....	\$615.35	\$716.50	\$885.50	\$1,125.00	\$1,000.00	\$1,250.00
Paid to natives for fishing.....	\$231.40	\$668.85	\$122.95	None.	None.	None.
White men employed with permanent residence in Alaska.....	5	5	7	10	12	22
Paid these white men.....	\$2,353.66	\$2,855.82	\$3,073.80	\$3,950.00	\$4,980.00	\$9,020.00
Spent yearly for supplies that are purchased in Alaska from resident concerns or individuals.....	None.	None.	None.	None.	None.	None.
Spent for tin plate.....	\$28,559.96	\$23,018.83	\$17,531.07	\$32,899.00	\$31,677.86	\$34,224.53
Spent for solder.....	\$5,755.37	\$5,684.94	\$5,455.43	\$11,221.05	\$10,658.68	\$9,506.56
Spent for labels.....	\$1,711.12	\$1,625.50	\$1,350.45	\$2,394.45	\$2,493.47	\$2,058.95
Spent for fishing gear.....	\$4,655.86	\$4,209.32	\$3,924.60	\$2,974.02	\$2,823.03	\$5,891.76
Spent for coal.....	\$1,576.96	\$1,725.23	\$2,758.28	\$2,376.09	\$1,981.23	\$2,365.00
Spent for other supplies.....	\$12,121.93	\$15,741.44	\$14,272.80	\$16,902.12	\$13,142.96	\$13,765.58
Cases packed yearly.....	48,889	46,443	38,585	68,413	71,242	58,827
Paid transportation companies for freight and passenger service in connection with cannery operations....	\$1,933.31	\$3,024.55	\$3,280.04	\$1,562.61	\$2,825.52	\$3,334.12

Northwestern Fisheries Co.—Continued.

	Uyak.			Kenai, 1910.	Orca.		
	1908	1909	1910		1908	1909	1910
Natives employed in and around cannery.....	5	5	16	18	12	10	14
Natives employed fishing.....	8	None.	16	43	2	None.	2
Paid to natives at cannery.....	\$1,675.00	\$1,750.00	\$2,500.00	\$2,769.22	\$1,440.00	\$1,200.00	\$1,680.00
Paid to natives for fishing.....	\$300.00	None.	\$350.00	\$4,612.37	\$147.52	None.	\$339.41
White men employed with permanent residence in Alaska.....	18	12	12	28	16	21	19
Paid these white men.....	\$6,219.44	\$4,870.00	\$4,770.00	\$4,564.84	\$9,552.47	\$8,034.76	\$4,767.16
Spent yearly for supplies that are purchased in Alaska from resident concerns or individuals.....	\$1,132.52	\$1,299.85	\$1,013.45	\$4,126.53	\$5,980.23	\$673.92	\$492.85
Spent for tin plate.....	\$27,776.67	\$21,791.71	\$16,417.81	\$20,455.63	\$16,807.38	\$17,626.08	\$18,664.55
Spent for solder.....	\$8,976.65	\$8,478.35	\$5,235.13	\$1,795.33	\$5,573.36	\$5,344.00	\$5,624.76
Spent for labels.....	\$1,699.21	\$1,222.85	\$1,209.15	\$1,032.50	\$1,625.22	\$1,386.10	\$1,397.00
Spent for fishing gear.....	\$3,553.12	\$2,462.74	\$6,399.32	\$5,559.40	\$5,334.23	\$6,035.62	\$6,609.48
Spent for coal.....	\$3,462.30	\$3,445.48	\$3,289.50	\$2,268.59	\$2,026.29	\$2,794.69	\$4,585.43
Spent for other supplies.....	\$9,418.65	\$9,784.37	\$7,965.59	\$13,118.16	\$15,216.68	\$6,843.76	\$12,443.01
Cases packed yearly.....	48,549	34,939	34,547	29,500	46,435	39,803	39,914
Paid transportation companies for freight and passenger service in connection with cannery operations.....	\$1,880.04	\$2,142.49	\$3,861.23	.....	\$2,110.51	\$949.86	\$1,007.87

	Dundas.			Santa Ana.		
	1908	1909	1910	1908	1909	1910
Natives employed in and around cannery.....	10	25	25	18	20	16
Natives employed fishing.....	40	80	90	17	17	12
Paid to natives at cannery.....	\$4,000.00	\$3,000.00	\$2,000.00	\$1,740.00	\$1,860.00	\$1,700.00
Paid to natives for fishing.....	\$13,500.00	\$12,000.00	\$10,800.00	\$2,400.00	\$2,375.00	\$2,350.00
White men employed, with permanent residence in Alaska.....	6	4	3	15	10	14
Paid these white men.....	\$1,800.00	\$1,200.00	\$1,250.00	\$3,600.00	\$3,500.00	\$3,780.00
Spent yearly for supplies that are purchased in Alaska from resident concerns or individuals.....	\$7,000.00	\$6,000.00	\$5,240.00	\$3,700.00	\$4,500.00	\$4,000.00
Spent for tin plate.....	\$11,309.25	\$12,383.38	\$10,139.99	\$15,284.02	\$11,164.30	\$13,627.35
Spent for solder.....	\$4,162.04	\$3,638.15	\$6,195.38	\$4,693.74	\$4,184.00	\$4,806.65
Spent for labels.....	\$1,078.28	\$1,037.71	\$852.70	\$1,080.70	\$901.28	\$1,041.88
Spent for fishing gear.....	\$1,581.59	\$2,547.04	\$3,716.70	\$267.97	\$563.61	\$491.34
Spent for coal.....	\$1,306.48	\$661.83	\$701.88	\$1,164.58	\$811.09	\$621.55
Spent for other supplies.....	\$7,292.47	\$7,479.17	\$6,178.70	\$7,204.39	\$5,582.51	\$4,868.19
Number of cases packed yearly.....	30,808	29,649	24,363	30,878	25,751	29,768
Paid transportation companies for freight and passenger service in connection with cannery operations.....	\$557.43	\$1,501.59	\$1,460.11	\$5,440.47	\$6,203.41	\$7,652.30

Northwestern Fisheries Co.—Continued.

	Quadra.			Hunters Bay.		
	1908	1909	1910	1908	1909	1910
Natives employed in and around cannery.....	15	20	12	25	30	41
Natives employed fishing.....	20	30	23	45	45	30
Paid to natives at cannery.....	\$2,600.00	\$3,000.00	\$2,500.00	\$4,100.00	\$4,237.00	\$4,320.00
Paid to natives for fishing.....	\$4,500.00	\$3,500.00	\$5,070.00	\$7,116.00	\$7,200.00	\$7,300.00
White men employed, with permanent residence in Alaska.....	18	15	21	8	7	6
Paid these white men.....	\$6,000.00	\$4,500.00	\$7,000.00	\$4,190.00	\$4,200.00	\$4,175.00
Spent yearly for supplies that are purchased in Aalaska from resident concerns or individuals.....	\$6,500.00	\$5,000.00	\$7,000.00	\$5,180.00	\$5,100.00	\$5,220.00
Spent for tin plate.....	\$16,529.30	\$11,067.82	\$15,975.83	\$21,391.84	\$15,750.84	\$19,342.02
Spent for solder.....	\$5,145.46	\$3,189.38	\$4,671.95	\$5,460.48	\$4,090.42	\$5,713.24
Spent for labels.....	\$1,232.21	\$904.29	\$1,221.78	\$1,573.95	\$1,313.02	\$1,505.65
Spent for fishing gear.....	\$9,846.86	\$274.72	\$1,323.24	\$788.56	\$364.84	\$528.88
Spent for coal.....	\$1,240.50	\$476.34	\$836.05	\$994.02	\$924.48	\$915.58
Spent for other supplies.....	\$7,782.01	\$5,537.95	\$6,801.12	\$7,876.89	\$7,517.89	\$8,302.78
Number of cases packed yearly.....	35,206	25,837	34,908	44,970	37,515	43,019
Paid transportation companies for freight and passenger service in connection with cannery operations....	\$7,166.69	\$7,080.30	\$8,064.97	\$11,821.48	\$9,666.77	\$11,522.40

SEATTLE, December 21, 1910.

Total all canneries, by years.

	1908	1909	1910
Natives employed in and around cannery.....	106	130	165
Natives employed fishing.....	143	186	225
Paid to natives at cannery.....	\$17,295.35	\$16,763.50	\$19,604.72
Paid to natives for fishing.....	\$28,194.92	\$25,743.85	\$30,944.73
White men employed with permanent residence in Alaska....	96	86	132
Paid these white men.....	\$37,365.57	\$34,140.58	\$42,400.80
Spent yearly for supplies that are purchased in Alaska from resident concerns or individuals.....	\$29,492.75	\$22,573.77	\$27,092.83
Spent for tin plate.....	\$170,557.42	\$144,480.82	\$166,378.78
Spent for solder.....	\$50,988.15	\$45,267.92	\$49,004.43
Spent for labels.....	\$12,395.14	\$10,884.22	\$11,670.06
Spent for fishing gear.....	\$29,002.21	\$19,280.92	\$34,444.72
Spent for coal.....	\$14,147.22	\$12,820.37	\$18,341.86
Spent for supplies, miscellaneous.....	\$83,815.14	\$71,630.05	\$87,715.93
State number of cases packed yearly.....	354,148	311,179	333,431
Paid transportation companies for freight and passenger service in connection with cannery operations.....	\$32,472.54	\$33,394.49	\$40,183.04
Grand total.....	\$505,726.41	\$436,980.49	\$527,781.90

JANUARY 11, 1911.

The CHAIRMAN. We will take a recess until 3 o'clock p. m.
Whereupon, at 11.55 a. m., a recess was taken until 3 o'clock p. m.

AFTER RECESS.

At the expiration of the recess the subcommittee reassembled.

STATEMENT OF MR. JEFFERSON F. MOSER—Continued.

Mr. MOSER. When we adjourned this morning, I was referring to the observations that have been made by many people as to the amount or the value of the salmon taken out of Alaska waters and I referred there to the material we are obliged to carry to Alaska.

I now continue where I left off there.

Now, take into account the upkeep of the cannery fleet, transportation, insurance, stevedoring, towage, taxes, general overhead expenses, etc., and these millions that are said the salmon cannery take from Alaska are very materially reduced.

We have made a very careful estimate and find that the value of the raw salmon canned in Alaska by all cannery any one year never has been over \$1,250,000.

I may add to that and say here that if there were no canneries in Alaska at all, if the fish were not in any way utilized, no one would receive any benefit from them in any way, because the fish all die. These fish that come into the Alaskan waters and ascend the rivers all die—that is, all the salmon—and they would be lost unless they were taken for commercial use.

The CHAIRMAN. That value you put on them is the value where?

Mr. MOSER. The value of the raw fish in Alaska.

Taking the Bureau of Fisheries document giving the number of salmon used for 1906, 1907, 1908, 1909, 1910, and for 1911 (our own record, as that of the department, is not yet available) and using the price we pay the fishermen for the raw material in Bristol Bay, as that is the only place we pay by the fish—at other places they are paid for by the month or by the case and labor—we have drawn up another schedule of values taking the number of fish that have been taken from Alaskan waters each of these years and giving them the value that we pay the fishermen for the fish, which, if you choose, I will submit as a part of my remarks.

The CHAIRMAN. That will be put into the record. I would like to understand that, Captain. In Bristol Bay you pay the fishermen by the fish?

Mr. MOSER. Yes, sir; by the fish.

The CHAIRMAN. Elsewhere in Alaska how do you pay them?

Mr. MOSER. We pay by the case; a percentage on the number of cases packed, or we pay them by the labor—so much a month.

The CHAIRMAN. Suppose there are some individual fishermen in that section who catch 25 or 50 fish each?

Mr. MOSER. We arrange with them specially on those occasions, as with the Indians. We furnish them with gear and pay for that work specially and make special individual arrangements. In many instances in southeast Alaska, where we have trap fishing and seine fishing, the men are paid either by the month or by the case; so much a case.

The statement is as follows:

Value of Alaska salmon catch in 1906, 1907, 1908, 1909, and 1910.

[See Bureau of Fisheries Document No. 746, pp. 14 and 15.]

1906—King, 267,827, at 10 cents.....	\$26,782.70
Red, 19,536,761, at 2½ cents.....	488,419.02
Coho, 983,804, at 2½ cents.....	24,595.10
Pink, 7,707,999, at 1 cent.....	77,079.99
Chum, 3,259,384, at 2 cents.....	65,187.68
Total (31,755,775).....	<u>682,064.49</u>

1907—King, 327,794, at 10 cents.....	\$32,779.40
Red, 19,167,110, at 3 cents.....	575,013.30
Coho, 893,425, at 3 cents.....	26,802.75
Pink, 12,668,722, at 1 cent.....	126,687.22
Chum, 1,843,017, at 2 cents.....	36,860.34
Total (34,900,068).....	798,143.01
1908—King, 261,693, at 10 cents.....	26,169.30
Red, 24,942,726, at 3 cents.....	748,281.78
Coho, 736,083, at 3 cents.....	22,082.49
Pink, 15,106,155, at 1 cent.....	151,061.55
Chum, 2,258,322, at 2 cents.....	45,166.44
Total (43,304,979).....	992,761.56
1909—King, 407,252, at 10 cents.....	40,725.20
Red, 23,024,134, at 3 cents.....	690,724.02
Coho, 587,734, at 3 cents.....	17,632.02
Pink, 9,491,482, at 1 cent.....	94,914.82
Chum, 1,182,006, at 2 cents.....	23,640.12
Total (34,692,608).....	867,636.18
1910—King, 412,543, at 20 cents.....	82,508.60
Red, 19,202,776, at 3½ cents.....	672,097.16
Coho, 996,684, at 3½ cents.....	34,883.94
Pink, 10,722,966, at 1 cent.....	107,229.66
Chum, 2,344,285, at 2 cents.....	46,885.70
Total (33,679,254).....	943,605.06

Estimated number of salmon and value for 1911.

1911—King, 409,347, at 20 cents.....	\$81,869.40
Red, 18,478,698, at 3½ cents.....	646,754.43
Coho, 1,232,615, at 3½ cents.....	43,141.52
Pink, 20,434,900, at 1 cent.....	204,349.00
Chum, 3,941,054, at 2 cents.....	78,821.08
Total (44,496,614).....	1,054,935.43

Prices.—Prices are on basis of Bristol Bay fishermen's agreement, where payment is made by the fish. At other stations fishermen are paid by the month or by the case.

Referring now again to the taxes. The bill does not seem to provide for the collection of these taxes, but it is said that the general law does so provide. It is, however, suggested that provision should be made to provide for a penalty for nonpayment.

It has been said that some people have been very negligent in making their payment of the taxes.

Mr. WICKERSHAM. There is no penalty?

Mr. MOSER. There is no penalty provided for.

Mr. WICKERSHAM. If a man does not pay it that is the end of it, except they can sue him as for debt.

Mr. MOSER. I think that is the case. I think I would suggest in connection with the salmon fishery tax that it be taken out of the general fund and devoted entirely to the fisheries, or so much of it as may be deemed necessary for hatcheries, and commercial experimentation, and pay the remainder into the Treasury. Until this is done the clamor in Alaska to overburden the salmon fisheries with excessive taxation for the internal improvement of Alaska will not cease.

The following provision is submitted for consideration:

Provided, That all taxes, license, and other fees collected from or through the salmon fisheries of Alaska be used for the construction and maintenance of salmon hatcheries and for construction and maintenance of an experimental station to be used for the development of the fishery product along commercial lines in such a manner as the Secretary of Commerce and Labor may direct.

The CHAIRMAN. What is your idea with regard to an experimental station, Captain?

Mr. MOSER. I am afraid the other day possibly I did not make myself altogether plain when I dwelt perhaps too strongly on the commercial interest in this question. I said that we preferred a station that would experiment with the fishery products for commercial use and that we did not, so far as the fishery interest, were concerned, favor a biological laboratory, one that is devoted largely to the scientific end of the fisheries.

We are interested along commercial lines, and what we would like to know at least would be how different products are prepared; how fish meal is prepared; how fish cakes are prepared; whether other uses can be made of the different fishery products. Chowders can be probably made from the different products. I know in Siberia they have been using salmon roe and converting it into caviar and have sold very large quantities, but that seems to be a secret process.

Many of these products would be rather expensive for the canners individually to experiment with; but we think the Government should treat the fisheries as it does its agricultural interests and help us and assist us in that way.

The CHAIRMAN. Do you think the basis of development along the lines suggested are pretty great?

Mr. MOSER. I think they are and I think other foreign governments have experimented along those lines.

Now, I would like to have it understood that I am not inimical to a biological station at all; nor do I wish in any way in my remarks to criticize the gentlemen of the Bureau of Fisheries. On the contrary, I have a great many friends there and I think very highly of them. I regard them very highly and regard their work very highly, and I should be loath to say anything that would appear to be critical in any way of the work they are doing.

Mr. WICKERSHAM. As I understand it, Captain, the only people you do criticize are the people in Alaska whom, you say, are clamoring for a divvy.

Mr. MOSER. I do not believe, Judge, it is right to tax a fishery which in every country in the world is encouraged by the government and in every State of which I have any knowledge where all the tax goes back to the fisheries, to tax those fisheries for the internal improvements. I am quite sure if the mining interests of Alaska were taxed to build up the fisheries there would be a howl that would be heard from one end of the country to the other.

Mr. WICKERSHAM. You realize that the mining interests go in there and build homes and roads and churches and things of that kind, do you not?

Mr. MOSER. Not exactly. Do you think the people up in Alaska generally go there to become permanent residents of the country?

Mr. WICKERSHAM. I have no doubt of it—all except fisheries.

Mr. MOSER. I do not agree with you.

Mr. WICKERSHAM. And the fishermen are beginning to do it too.

Mr. MOSER. I know the people in Alaska. I have known some men whom I would count upon as being permanent residents, but the impression I gained from most of them was that they were there to make what they could, and when they did make what they could they would leave the country. They are not permanent residents in the same way that Senator Jones, for instance, lives in his community or I live in in some other community in the States. I do not blame them for wanting to get out of the country because I do not think it is a very hospitable country.

Mr. WICKERSHAM. What part of the country are you acquainted with?

Mr. MOSER. Most of my experience has been along the sea coast.

Mr. WICKERSHAM. But you do know that Juneau, Ketchikan, Cordova, and other towns are there from year to year, are they not?

Mr. MOSER. They are not growing very rapidly, though. How much have you increased in population?

Mr. WICKERSHAM. The white population in Alaska increased something over 6,000 according to the last census.

Mr. MOSER. I find, according to the census, that the population of Alaska has only increased something like 800 in the last 10 years.

Mr. WICKERSHAM. That is true. There was a loss of Indians and Chinamen of something like 6,000.

Mr. MOSER. Was there not a decrease in that?

Mr. WICKERSHAM. Not at all. That is in the territory. That is in the 10 years. And, again, I think there will not be much increase in the territory at all until matters of this kind are equitably arranged.

Mr. MOSER. Do you think it is right to tax the fisheries for the internal improvements of Alaska?

Mr. WICKERSHAM. I do; just the same as you tax a man who comes in there and builds a store. I think you people ought to pay your share. Certainly I do.

Mr. MOSER. I would take the tax and have it turned into the General Government, and let the General Government make other appropriations for specified purposes; for internal improvements and things of that kind.

Mr. WICKERSHAM. I do not know as I object to that, just so you pay your share.

Mr. MOSER. As it is now, however, it is not done by special appropriation.

Mr. WICKERSHAM. Your company has something like \$6,000,000, so you say, invested in property there, and you do not pay any taxes at all on that property.

Mr. MOSER. No; we have not \$6,000,000 of property in Alaska.

Mr. WICKERSHAM. Your statement shows that.

Mr. MOSER. We have quite a little invested on Puget Sound.

The CHAIRMAN. How much property have you in Alaska, Captain?

Mr. MOSER. Our properties in the State of Washington, and California, amount to, in round numbers, \$1,000,000. In Alaska canneries, \$3,100,000; Alaska fleet, \$1,350,000; Alaska hatchery, \$300,000. That makes \$3,400,000 in Alaska.

Mr. WICKERSHAM. And you do not pay any taxes on that all, do you, Captain?

Mr. MOSER. No; we do not; but we do pay heavily in other ways in our taxes.

Mr. WICKERSHAM. You get rebates for more than half of that, do you not?

Mr. MOSER. Yes; but we do not get anything out of that.

Mr. WICKERSHAM. Alaska does not get anything out of it, does it?

Mr. MOSER. No.

Mr. WICKERSHAM. Now, you are pretty well acquainted with the situation there along the coast. Do you know of a schoolhouse that has ever been built in Alaska out of all the fish that has ever been taken there?

Mr. MOSER. It comes out of the Alaska fund, you know. A portion of the Alaska fund is utilized for schools.

Mr. WICKERSHAM. Yes; but there is little of that.

Mr. MOSER. I forget what the percentage is, but there is a certain proportion of it.

Mr. WICKERSHAM. I think none of it now. I think the appropriations are entirely from the general fund for that purpose now. The point that I make is this, Captain: That you people do not pay anything, out of the big amount of money that you take out of that Territory, for the support of the Territory or the Government there. You pay practically nothing. What amount did you pay in taxes over your rebate?

Mr. MOSER. Let me say we paid in 1910 a Federal corporation tax of \$6,550.

Mr. WICKERSHAM. In 1910.

Mr. MOSER. We paid California State and county taxes, vessels, \$7,550; other taxes, \$6,300. In the State of Washington we paid \$5,600; in Alaska salmon, \$37,000.

The CHAIRMAN. Is that \$37,000 after the rebates are deducted?

Mr. MOSER. No, sir.

The CHAIRMAN. I do not consider it a tax where it is actually a rebate. That is just the same as no tax at all. So what did you actually pay in taxes in Alaska in 1910?

Mr. MOSER. Senator, is not that the same as if the Bureau of Fisheries bought those eggs from us at a certain price? That is, the fry. They value the fry at a certain figure; say, 40 cents a thousand fry.

The CHAIRMAN. No; I do not think so, Captain. It does not make any difference what they value it at. The question is what do you pay in taxes. If you paid \$32,000 with one hand and took it back with the other—

Mr. MOSER. But it cost us that to produce the fry.

The CHAIRMAN. The question is whether you were doing it or not. What I want to get at is what tax do you pay to the Government?

Mr. MOSER. I do not think, Senator, that is a fair way to put it.

The CHAIRMAN. I want to get at the facts, and then we will deduce whatever may be necessary. Of course, I understand you built your hatcheries and ran them. I also understand that you put your hatcheries in and run them before this tax was exacted from you. So I am going to assume, so far as that is concerned, that you had your hatcheries and ran them, and the tax was independent of the fact that you had canneries there. What I want to get at is what taxes you paid over and above any rebates you got by reason of this provision of the law that gives rebates?

Mr. DORR. That is as applied to his company?

The CHAIRMAN. That is as applied to his company.

Mr. MOSER. We paid \$32,060 in 1910; that is, taking the rebate out.

The CHAIRMAN. That is after the rebate is deducted?

Mr. MOSER. After the rebate is deducted.

The CHAIRMAN. Now, what did you pay that on? Can you tell me how much you paid out?

Mr. MOSER. You mean what was that paid on?

The CHAIRMAN. What was the nature of that tax?

Mr. MOSER. That was paid on the Federal corporation tax, the California State and county tax——

The CHAIRMAN. I do not want the California tax. I want the Alaska tax. I do not care about your California or Washington taxes or your Federal corporation tax.

Mr. MOSER. You would not take that in?

The CHAIRMAN. I want the Alaska taxes, and that is all.

Mr. MOSER. Then you want the amount of the difference between the rebate and the 4 cents per case tax?

The CHAIRMAN. That is what I want.

Mr. MOSER. \$6,360.

Mr. WICKERSHAM. Can you give us the value of that pack?

Mr. MOSER. For 1910?

Mr. WICKERSHAM. Yes; the total pack.

Mr. MOSER. In 1911 we packed 863,739 cases.

The CHAIRMAN. That was 1911.

Mr. MOSER. In 1910 we packed 915,263 cases in Alaska.

The CHAIRMAN. That is in 1910?

Mr. MOSER. That was in 1910.

The CHAIRMAN. Then what was it for 1911?

Mr. MOSER. Eight hundred and sixty-three thousand seven hundred and thirty-nine in 1911.

Mr. WICKERSHAM. That would be something like \$4,000,000; three and a half or four million dollars.

Mr. MOSER. I think I can give you that. I had that up once before—the 1910 pack. No; that was for the whole of Alaska for the 1910 pack.

I have not got that segregated. To work that up would require the net price to us of all the different species and also the number of the different species of salmon which we packed; and I have not got that data. I can give you the number only; but I could work up the rest of it because I have the price.

The CHAIRMAN. You mean you could work it up?

Mr. MOSER. I could take the 1910 pack, for instance, and take the price received for each grade, and I can give you that. I think I have data enough here. It would take some little time to do it, but I can give it to you.

The CHAIRMAN. We would like to have at least the aggregate sum you received for your pack.

Mr. MOSER. Yes; I could give you that. I have the number of cases for 1910 for each grade, and I have the price received for each grade; so I can tell you very nearly what it amounts to, but it would take some little time.

The CHAIRMAN. You can figure that out before our next meeting. So you paid in 1910 \$36,610.52. Do you know what your rebate was in 1910?

Mr. WICKERSHAM. He paid how much, Senator?

The CHAIRMAN. \$36,610.52.

Mr. MOSER. Yes, sir; that is, in round numbers, I put it \$37,000.

Mr. WICKERSHAM. How much was the rebate?

Mr. MOSER. \$30,640 was the amount of rebate.

Mr. WICKERSHAM. That would leave how much paid in cash now?

Mr. MOSER. About \$6,000.

The CHAIRMAN. \$5,970.52.

Mr. WICKERSHAM. And according to this statement your profits for that year were—do you know how much it was in 1910?

Mr. MOSER. The profits in 1910 were for the Alaska pack \$454,011.

Mr. WICKERSHAM. Here is 1909 I have here, but not 1910. Your profits in 1909, as shown by your statement, were \$779,728.69.

Mr. MOSER. For 1909, yes; that was the most profitable year the association has ever had, and that includes a big year on the Sound. The profit for the Alaska pack in 1909 was \$492,955.

The CHAIRMAN. Your statement of profits includes Puget Sound?

Mr. MOSER. Yes; that includes Puget Sound.

Profits for the year 1910 were \$517,009, including Puget Sound.

The CHAIRMAN. Now, give the 1911.

Mr. WICKERSHAM. 1911, \$631,838.55. Of course I do not concede that these statements are correct, but that is according to their report. I think there will be considerable additions to be made to those statements of profit in their report, but I will call that to the attention of the committee later on.

The CHAIRMAN. All right. Now, this 4-cent tax is all the tax you pay in Alaska, is it not, Captain?

Mr. MOSER. That is all the Alaska tax we pay; yes.

The CHAIRMAN. There is no tax on any of your buildings where they are located, or anything of that sort?

Mr. MOSER. No.

The CHAIRMAN. That makes that clear, then.

Mr. MOSER. No; not to my knowledge.

Mr. WICKERSHAM. Not unless they are in an incorporated town.

Mr. BROWNE. I do not understand that anybody up there is taxed.

Mr. WICKERSHAM. They are not taxed outside of the incorporated towns; that is correct.

The CHAIRMAN. None of your property is inside of an incorporated town, is it?

Mr. MOSER. No. At the same time, I may call this to your attention: The tax of 4 cents per case is greater than that paid on Puget Sound, and I think the increase to 4 cents per case was based upon the fact that we were not paying local taxes—taxes on the properties. Was that all on that line? Shall I proceed?

The CHAIRMAN. Yes; you may go on now.

Mr. MOSER. I would say before leaving the subject of the tax clause that I notice that the Yukon River is excepted from taxation of traps. I thought I would ask whether there was any reason for excepting the Yukon River.

The CHAIRMAN. Dr. Evermann, will you explain that?

Dr. EVERMANN. Our principal object was to encourage the fishing in the Yukon River. The fisheries there have not been developed yet, and no one knows just what the possibilities are on the Yukon River.

The CHAIRMAN. Do you know anything about the quantity of the fish there?

Dr. EVERMANN. The red salmon and the king salmon we know both run up the Yukon River.

The CHAIRMAN. Do they run up the Yukon River in considerable numbers?

Dr. EVERMANN. In what numbers we are not in a position to say.

Mr. WICKERSHAM. If you will permit me, I think there is a very limited run of fish in the Yukon River.

Dr. EVERMANN. Commercial fishing in the Yukon has not been developed as yet.

Mr. WICKERSHAM. The Indians catch no fish at all some seasons, and generally very few. It is a very poor salmon stream apparently, but, as the doctor says, there has been no careful systematic effort made up there by good fishermen to ascertain the facts.

Mr. MOSER. We have made an examination around the delta of the Yukon and found that conditions there, so far as the fishes were concerned, were probably not as encouraging as they might be. Questions of transportation and holding men for a long period are difficult to overcome. You can not get your people in there in the spring early enough to make the cans and do the spring work, and other adverse conditions would not make it a profitable venture.

I will now take up the subject of the hatcheries and hatchery rebates, if you please.

The CHAIRMAN. Yes; that is right in this connection.

Mr. MOSER. A few words relating to the history of the Alaska salmon hatcheries may be pertinent and paraphrase my remarks on the subject.

As early as 1891 a hatchery was built and operated by the Karluk River fisheries on Kadiak Island about 1 mile below our present hatchery. Two million eggs were taken out, but on account of bad weather, crude appliances, and lack of experience only about 500,000 fry were hatched. This hatchery was then abandoned. In 1896 the Alaska Packers' Association, recognizing the necessity for replenishing the waters, built a hatchery on the south shore of the lagoon at the mouth of Karluk River, which was operated that year and every year to date, and has been a pronounced success from the beginning. The capacity of the hatchery when first built was about 20,000,000 eggs; it was later enlarged, and in 1903, under the requirement of the Federal Government, a second hatchery building was constructed, making a total capacity of about 55,000,000 eggs.

The CHAIRMAN. What requirements did that comply with, Captain?

Mr. MOSER. The Federal Government, as I shall refer to the different circulars that were issued, as I go along.

The CHAIRMAN. Very well.

Mr. DORR. They were orders from the Treasury Department, which at that time had control of the inspection of fisheries in Alaska.

Mr. MOSER. A complete description of this hatchery with photos and plans as originally constructed and to 1900 is shown in the

Bureau of Fisheries publication Alaska Salmon and Salmon Fisheries, 1899, pages 155-157, and Alaska Salmon Investigation in 1900 and 1901, pages 331-348.

In 1900, in obedience to the order issued by the Federal Government (Treasury Department Circular No. 57, dated May 2, 1900), the Alaska Packers' Association selected a site for a hatchery in southeastern Alaska on the headwaters of the Naha Lake system about 8 miles from Loring on Revillagigedo Island. That winter we engaged natives to transport lumber for troughs, floors, etc., over the ice and paid them \$75 per 1,000 feet for the transportation. The hatchery and living quarters were constructed from logs cut from the ground. This hatchery was operated in 1901 and every year to date. In 1902 this hatchery was enlarged. In 1903 and 1904 a second hatchery building was constructed and operated the latter year. The original hatchery building is 242 by 24 feet and the new one 287 by 32 feet, this latter built up solidly of sawed timbers 10 by 12 inches laid on a solid crosswise foundation of 12 by 12 inches by 4 feet. The combined capacity of the two buildings is about 110,000,000 eggs.

If you please, I would be very glad to show you photographs of our hatcheries. So much has been said about these private hatcheries that I think probably you would get a better idea of them by looking at some of these photographs.

This is the lake here; and this is the river that contains the natural spawning ground; and these are the hatchery buildings and different outbuildings. These are details. You will notice for instance here the river bank, how it is cribbed up for a thousand feet with heavy 12 by 12 sawed timbers to hold the banks back, the river making encroachments on the bank and we were obliged to put that in to save the banks from the encroachments of the river.

This is the original hatchery building, log construction, built in 1900 and 1901. That was enlarged and added to. In 1904 this building was constructed. That is the boiler house there. There is one building in course of construction. This is the mess house. I think it is the finest log construction in the country anywhere. This shows the nursery ponds; two nursery ponds in which the fry are kept after coming from the hatchery. These are other details of construction. Here is a better picture of the hatchery site. Down on the hill we have the old hatchery building. That is the new building which contains the boiler house. Here is the sawmill and this is the flume that operates the dynamo and the mills and so on, and this is the mess house and bunk house and so on. That was the house that was built by private party up there. This shows the front of the new hatchery building. This shows the construction of one of the buildings. This shows the stream at the mouth where it flows into the lake.

This is a sawmill. That shows one house that is built along the river. You see we are obliged to build roads in there, tramways, and provide transportation across the lake. This is simply a rest house where we can get our material under transportation. We have planted a number of potatoes there.

Mr. WICKERSHAM. How do the potatoes grow?

Mr. MOSER. They grow very well there.

This is one of our main places on the lake.

Mr. BROWNE. You have to transport over a number of lakes?

Dr. EVERMANN. Our principal object in the Yukon River. The fisheries are not yet, and no one knows just what the River.

The CHAIRMAN. Do you have fish there?

Dr. EVERMANN. Both run up the River.

The CHAIRMAN. What numbers?

Dr. EVERMANN.

Mr. WILSON. Limited.

Dr. F. Development.

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The CHAIRMAN. What is the height of those falls; is it perpendicular?

Mr. MOSER. No. I judge that those falls, probably—they come in different jumps. I suppose the highest jump would probably be 5 or 6 feet.

The CHAIRMAN. Take that jump there for instance [indicating].

Mr. MOSER. I do not suppose that fish is over 20 inches in length.

You can get a good idea from that picture. What do you call the length of a sockeye, Doctor—usually 20 inches?

Dr. EVERMANN. Eighteen to thirty-two inches; average about 26 inches.

Mr. MOSER. You can judge about the height. When they come out of the water, they do not make a leap over the falls but they will strike well up on the falls and then with the impetus they have received they swim up.

Mr. BOWER. During the higher stages of the tide I understand the falls are obliterated and the current runs the other way.

Mr. MOSER. What falls are those?

Mr. BOWER. The photograph looks like Dorr Falls.

The CHAIRMAN. The tide was not running the other way when that photograph was taken and that fish was jumping up there.

Mr. MOSER. I never heard of the tide being so high as to rise to the top of the Dorr Falls.

Mr. BOWER. Last year I saw a fish boat going in over the lower falls with fishermen and nets.

Mr. MOSER. Over the Dorr Falls?

Mr. BOWER. Yes; over what I heard called Dorr Falls.

Mr. MOSER. Do you not mean the Hirsh Falls, down below? Are you talking about the first lake or the second lake?

Mr. BOWER. There is brackish water in the first lake at high tide.

Mr. MOSER. The tide runs over those falls.

Mr. BROWNE. That is the rise and fall of the tide.

Mr. BOWER. There is quite a fall at the first lake, and I thought this was a picture of that particular fall.

Mr. MOSER. This shows the building of the tramway—the road—there.

Mr. WICKERSHAM. Do you haul logs over that tramway?

Mr. MOSER. No. We get them along the lake. You asked the other day, Senator, in regard to the size of some of these fish. These are the fish from the egg as they come out with the egg sac still attached, and that is a dime that shows about the size of the fish compared with a dime. This shows the construction; it shows the trees cut down there to utilize for the logs.

The CHAIRMAN. Those appear to be rather large logs.

Mr. MOSER. They are. This was a very large one.

The CHAIRMAN. You do not use this timber for any purposes except those connected with the hatchery and building of roads?

Mr. MOSER. That is all. These two logs are in the lower tier of the hatchery. This shows the construction of our second hatchery. This is all sawed timber, 12 by 12 and it is laid on crosswise foundations of 12 by 12, 4 feet in length. You can see it here.

The CHAIRMAN. Where is the hatchery being constructed?

Mr. MOSER. This is the second building at the Fortmann hatchery.

The CHAIRMAN. Is that the same one we have been talking about?

Mr. MOSER. It is the same one. It shows the construction of it.

Mr. WICKERSHAM. What do you cover those buildings with; split shakes?

Mr. MOSER. These are all shakes. This shows the river and this shows the timber upon the river bank. It shows the river bank—how it is timbered up. After this was timbered up, it was filled by hydraulicking from the hillside and this is all a garden spot now. It is all laid out in gardens. We raise lettuce there, and vegetables, and things like that.

The CHAIRMAN. Is there any considerable amount of land around there that could be cultivated?

Mr. MOSER. Not around there; no, sir. The soil is very thin.

These are winter scenes.

We had at this hatchery in 1910, 160.8 inches of rain and 289 inches of snow.

The CHAIRMAN. And how low did the temperature get?

Mr. MOSER. Up at the hatchery we do not often have a temperature below 8 or 10 below zero. These are interiors. You were asking the other day in regard to troughs and baskets. These are the troughs. In these troughs the baskets are placed in these rests. These baskets are filled with the eggs. The water comes from the upper line of troughs and falls in succession to these other troughs until it gets to the bottom, where it is carried off. You see, you must have running water over the eggs all the time.

Here is probably a better range of troughs here. This is in the new hatchery. That is in the old building at Karluk. We have a second building at Karluk there now.

Mr. BROWNE. Was that there in 1897?

Mr. MOSER. This one was built in 1897.

Mr. WICKERSHAM. That was built before there was any law compelling you to build them?

Mr. MOSER. Yes.

Mr. MOSER. We transport over three lakes and then we have tramways over the ridges intervening.

Mr. WICKERSHAM. Something like a logging road.

Mr. MOSER. Regular tramways with cars, drawn by mules.

Mr. BOWER. The total distance is about 7 miles from the hatchery to salt water.

Mr. MOSER. I should say roughly speaking $7\frac{1}{2}$ miles. We call it 8 miles.

These are some of the buildings again. This is the bunk house in course of construction. This shows the crew on an upper lake.

Mr. WICKERSHAM. These are very largely the same group of buildings are they not?

Mr. MOSER. They are all grouped together. These buildings occupy possibly an acre and a half.

Mr. WICKERSHAM. They are all log construction—wood buildings?

Mr. MOSER. They are all wooden buildings. That is the first hatchery built; that is the first picture we had. The first hatchery was built in the winter of 1900 and 1901. This shows the fish. This shows the salmon that is coming out of the water. These are smaller details. Here are some of the salmon at the falls leaping out of the falls.

The CHAIRMAN. What is the height of those falls; is it perpendicular?

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Mr. MOSER. This one was built in 1897.

Mr. WICKERSHAM. That was built before there was any law compelling you to build them?

Mr. MOSER. Yes.

Mr. MOSER. We transport over three lakes and then we have tramways over the ridges intervening.

Mr. WICKERSHAM. Something like a logging road.

Mr. MOSER. Regular tramways with cars, drawn by mules.

Mr. BOWER. The total distance is about 7 miles from the hatchery to salt water.

Mr. MOSER. I should say roughly speaking $7\frac{1}{2}$ miles. We call it 8 miles.

These are some of the buildings again. This is the bunk house in course of construction. This shows the crew on an upper lake.

Mr. WICKERSHAM. These are very largely the same group of buildings are they not?

Mr. MOSER. They are all grouped together. These buildings occupy possibly an acre and a half.

Mr. WICKERSHAM. They are all log construction—wood buildings?

Mr. MOSER. They are all wooden buildings. That is the first hatchery built; that is the first picture we had. The first hatchery was built in the winter of 1900 and 1901. This shows the fish. This shows the salmon that is coming out of the water. These are smaller details. Here are some of the salmon at the falls leaping out of the falls.

The CHAIRMAN. What is the height of those falls; is it perpendicular?

Mr. MOSER. No. I judge that those falls, probably—they come in different jumps. I suppose the highest jump would probably be 5 or 6 feet.

The CHAIRMAN. Take that jump there for instance [indicating].

Mr. MOSER. I do not suppose that fish is over 20 inches in length. You can get a good idea from that picture. What do you call the length of a sockeye, Doctor—usually 20 inches?

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Mr. MOSER. You can judge about the height. When they come out of the water, they do not make a leap over the falls but they will strike well up on the falls and then with the impetus they have received they swim up.

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Mr. WICKERSHAM. That was built before there was any law compelling you to build them?

Mr. MOSER. Yes.

Mr. WEBB. There never was a law compelling them to be built.

Mr. BROWNE. The general effect was that it should be.

Mr. MOSER. These are hatchery details, showing the method of taking the fish and the spawning crew.

My pictures of Karluk are not so complete and so full as they might be. This shows the new hatchery built at Karluk, and does not give a very good view of it. These are interiors at the Karluk hatchery. These are filters. That gives a view of the two buildings at Karluk.

The CHAIRMAN. What is that mountain in the distance there?

Mr. MOSER. That is just a high hill. I do not think it has any name. There are so many of these mountains around there, and these hills, that they do not name them all. That is the old hatchery building again; that is the old hatchery.

The CHAIRMAN. How cold does it get at that Karluk hatchery?

Mr. MOSER. We do not have the extremes of cold there.

The CHAIRMAN. It hardly ever gets to zero?

Mr. MOSER. When you get near the sea; take Sitka for example; the mean temperature at Sitka, I understand, is about the same as in Washington; but you get back to Juneau, where you are farther in the interior, and you get into the colder regions.

There is one of the canneries with a cannery ship at the wharf. This is in southeast Alaska, at Loring, and shows one of our large vessels alongside the cannery wharf. This shows one of our vessels in the ice. This shows one of our canneries, and shows our methods of construction.

There is the Karluk hatchery. It is a better picture. You see the water comes down here and enters the upper end there and is filtered. From there it flows down through the troughs, and so on. We are obliged here to have ripening ponds.

The CHAIRMAN. Well, Captain, that gives us a good idea of your hatcheries.

Mr. MOSER. You were talking about traps the other day. There is a picture of traps on Puget Sound.

The CHAIRMAN. Yes, I have seen them. I have helped to unload some of them there.

Mr. MOSER. You have seen the fish in the fish house?

The CHAIRMAN. Yes. Do you take up later in your statement, Captain, the capacity of your hatchery?

Mr. MOSER. Yes.

The CHAIRMAN. Then I will not ask you about that now.

Mr. MOSER. I have all that here, Senator.

Also, if you care to look at it, I have blue prints showing the plans of the hatcheries and the floor space they occupy.

The CHAIRMAN. I have been through some of the hatcheries.

Mr. WICKERSHAM. I would like to ask the captain some questions about Karluk before he gets away from that.

Mr. MOSER. Yes.

Mr. WICKERSHAM. How long have you known the Karluk hatchery, Captain.

Mr. MOSER. Oh, I have known the hatchery ever since it was built. I was there in 1896 and 1897.

Mr. WICKERSHAM. I notice you said it had been very successful.

Mr. MOSER. It has been successful, in our estimation.

Mr. WICKERSHAM. What has been the fact with respect to the catch of salmon there?

Mr. MOSER. The catch of salmon there at Karluk has not increased any.

Mr. WICKERSHAM. Has it not gradually decreased?

Mr. MOSER. It has decreased in the last few years. We have had fewer fish than during the previous years, but we think a stream in Alaska may fail for many causes. We expect a full pack this year, of course we do not know whether it will materialize or not, but we are looking for a big catch at Karluk this year.

Now, let me say this in addition, the stream at Chignik, about 100 miles away, that under a condition where the stream was blocked by two barricades, so that all the fish that came there were taken before there was any law regulating the matter and which at that time produced for three canneries located there 50,000 cases, at the present time we find no difficulty in taking from that stream 140,000 cases. We believe that that stream has been largely improved by our Karluk hatchery.

Mr. WICKERSHAM. But the Karluk stream has not?

Mr. MOSER. It has not; no, sir.

Mr. WICKERSHAM. Is it not true that when the Russians came there 120 years ago, that was the great salmon stream as far as we can learn from history?

Mr. MOSER. I have no knowledge of that stream. My knowledge of the stream goes back to 1882. The Russians built dams across all those salmon streams to conduct their fishing.

Mr. WICKERSHAM. But the Karluk River has been a very great salmon stream.

Mr. MOSER. It always has been.

Mr. WICKERSHAM. It always has been a great salmon stream until late years.

Mr. MOSER. Yes.

Mr. WICKERSHAM. And now it is decreasing. How many canneries have moved away?

Mr. MOSER. There are two canneries that are fishing there now.

Mr. WICKERSHAM. How many were formerly there?

Mr. MOSER. There were five on the spit.

Mr. WICKERSHAM. How many moved away?

Mr. MOSER. They have not moved away. They all came in under the Alaska Packers' Association—all of those canneries on the spit. It has been found cheaper to operate one or two large canneries than to run several small ones.

Mr. WICKERSHAM. But the total output has decreased.

Mr. MOSER. The total output has decreased in the last few years.

Mr. WICKERSHAM. Is it not true that that is one of the greatest salmon streams in Alaska?

Mr. MOSER. That is a large salmon stream.

Mr. WICKERSHAM. Is it not true that it is practically depleted now?

Mr. MOSER. No; I should not acknowledge that.

The CHAIRMAN. How does the output there now compare with what it was five or six or seven years ago?

Mr. MOSER. I am speaking from memory only. We now take about 100,000 to 125,000 cases. We have taken from 175,000 to 180,000 cases in earlier years.

The CHAIRMAN. When the five canneries were operating, what was the output?

Mr. MOSER. I do not know whether I have that data or not. Yes; I have it, too. Is there one year you would like to refer to, Judge, at Karluk?

Mr. WICKERSHAM. I would like to know, one of the big years, when the five canneries were running, how much they all took?

Mr. MOSER. Here there were four canneries. We will take 1889 or 1890. Those were big years.

Mr. WICKERSHAM. All right.

Mr. MOSER. Two hundred and fourteen thousand.

Mr. WICKERSHAM. What is the total?

Mr. MOSER. Two hundred and fourteen thousand cases—that is, five canneries.

Mr. WICKERSHAM. That is 214,000 cases in 1889. Now you take about one-half of that?

Mr. MOSER. Well, I said 100,000 or 125,000. That does not count what the Northwestern get. The Northwestern get about forty or fifty thousand cases out there, too.

Mr. WICKERSHAM. In the bay?

Mr. MOSER. From the Karluk fishing; yes.

Mr. WICKERSHAM. You used to have a big seine there run with donkey engines?

Mr. MOSER. Oh, we do that yet; we haul our seines with donkey engines.

Mr. WICKERSHAM. It seems to me I saw a haul there once of 60,000 fish in the seine. That is my recollection of it.

Mr. MOSER. The largest seine haul I have ever seen on Karluk was estimated at 30,000 fish.

Mr. WICKERSHAM. I may be mistaken.

Mr. MOSER. They may have had the amount you mention. I have been there at different times and that was estimated as being the largest at any time I visited the place.

Now I have not got the data exact for the late years. It may be that Mr. Dorr has some data in regard to the Karluk catch for 1907 and 1908 and along there.

Mr. DORR. I have a general recollection, but I can not give you the exact figures from memory.

Mr. MOSER. I should say that with the pack of the Northwestern Co. we must be taking from that place 150,000 or 160,000 cases at the present time, or pretty close to that; but we are not taking as many from there as we formerly did.

The CHAIRMAN. How many fry are you releasing a year from that hatchery?

Mr. MOSER. About 35,000,000 fry.

The CHAIRMAN. How long have you been releasing that many?

Mr. MOSER. I can give it to you exactly. At the Karluk hatchery we commenced liberating fry in 1896 and 1897. In 1897 we liberated 2,500,000 fry; the following year, 6,000,000; then 7,000,000; then 7,000,000; then 15,000,000; then 28,000,000; then 17,000,000; then 22,000,000; then 33,000,000; then 28,000,000; then 36,000,000; then 43,000,000; then 36,000,000; then 40,000,000; then 37,000,000.

The CHAIRMAN. That is, the last few years you have been running over 30,000,000 fry released each year.

Mr. MOSER. We have been running over 30,000,000 fry since 1906.

The CHAIRMAN. And you have been taking out in fish only two or three million?

Mr. MOSER. Two or three million fish; yes, sir.

The CHAIRMAN. Per year?

Mr. MOSER. The fish run about 13 to the case.

The CHAIRMAN. Well, I have counted 15 to the case. With 214,000 cases, that would be 3,210,000 fish which you have been taking out. That would be a maximum only of about one-tenth of what you have been putting in; so that the fish you have been releasing must be going somewhere else.

Mr. MOSER. There is no doubt about that. There is no question but that the streams of the surrounding district are benefiting by it. Let me give you another example of that. We have in releasing fish from the Fortmann hatchery in large numbers per year averaged larger numbers than we have at the Karluk hatchery. We have not there yet had any decided returns until this year.

Mr. WICKERSHAM. You mean last year, Captain.

Mr. MOSER. Last year; yes. But the streams in northern British Columbia have improved vastly, so much so that the Skeena River has about doubled its pack. Those streams are nearer the main entrance points through which the fish pass than our hatchery is. Now, let me give you another illustration.

Mr. WICKERSHAM. Let me ask you a question there. They have their own hatcheries there, too, have they not?

Mr. MOSER. Not up there. I think the only hatcheries they have in British Columbia are on the Frazer River—that is, at the lower end.

Mr. WICKERSHAM. That is depleted, too, is it not—the Frazer River?

Mr. MOSER. They claim so; yes.

The CHAIRMAN. So that the idea that the fish come back to the stream in which they spawn does not apply, anyhow, to the stream at which they are hatched in the hatcheries?

Mr. MOSER. I should not say so. I think they return to the same general district, but, Senator, it is a very difficult matter to follow the fish to know where they go and to know what fish may return. I have always to refer to the Chamberlain fish, as we call them, marked by Mr. Chamberlain in 1902, and they are the only ones that we know very much about and from which we have had any definite returns.

The CHAIRMAN. It seems to me very certain the number you have released there greatly exceeds the number you take out.

Mr. MOSER. Yes.

The CHAIRMAN. And considering the depleted condition, apparently, of the fish coming in there now as compared with the number of fish that you have been releasing, it is evident that they have not all been coming back there.

Mr. MOSER. Not all of them; no. We do not expect them to.

The CHAIRMAN. Well, a very small proportion of them come back, because you have only been taking out at the highest one-tenth of what you have been putting in.

Mr. MOSER. Yes, sir.

The CHAIRMAN. And still the supply is smaller.

Mr. MOSER. We really do not expect, in taking into account all the vicissitudes of fish life and all the enemies they have, to get back more than 1 in 10. In fact, we are very lucky if we do that.

The CHAIRMAN. I merely suggested that, as it seems to be an important fact in regard to this matter.

Mr. MOSER. Senator, that is simply in accordance with the views of some people with regard to the salmon hatcheries. There are some people who think the salmon hatcheries have not been successful. I think they have. I think there are a great many things yet in the way of hatching fishes that we have still to learn; but that hatcheries are successful, I think we may draw our inference in relation to other fishes. We know that previous to the eighties we had no shad runs on the Pacific coast whatever. They have been taken out there, and now you will find shad from one end of the coast to the other. We had no striped bass, and they are now abundant.

The CHAIRMAN. I do not think we would be justified in assuming that hatcheries are unsuccessful because on the particular stream on which the Karluk hatchery is located the supply has been depleted.

Mr. MOSER. Mr. Chamberlain at the Fortmann hatchery in 1902 marked fish, and some of those fish were taken at our hatchery at Karluk a thousand miles away, which shows the range over which they may travel.

Mr. WICKERSHAM. Is your Karluk hatchery at the same place?

Mr. MOSER. It is at the mouth of the river. When were you there?

Mr. WICKERSHAM. I was there in 1903.

Mr. MOSER. It is the same place.

Mr. WICKERSHAM. Well, now, the lake is how far above there?

Mr. MOSER. The lake is about 18 miles.

Mr. DORR. I would like to suggest in connection with the history of the Karluk fishery that the Bureau of Fisheries have detailed reports for the last 12 or 15 years. Formerly they used to publish the details of the pack by each company. Latterly they have not given the names of the companies, but have published figures with relation to the particular districts, so we can not get at the detailed facts from the later reports; but they have those all on file in the office, and I do not think it would be much trouble for these gentlemen to bring us the Karluk history, would it?

Dr. EVERMANN. No, sir; we could do that.

Mr. DORR (continuing). For the last 10 or 12 years.

Mr. MOSER. I think it would be more accurate than to make a stab at it here.

Mr. WICKERSHAM. If the doctor will do that, we can let it go for the present.

Dr. EVERMANN. May I be permitted to say a word in relation to the return of the salmon to the streams?

The CHAIRMAN. Certainly.

Dr. EVERMANN. I can draw a lesson from the time of the first introduction of the shad on the Pacific coast. There were no shad on the Pacific coast until they were taken there from the Atlantic coast. Shad were planted in the Sacramento River first. Later some plants were made in the Columbia River. Now shad are found all the way from San Diego to Karluk, a distance of several thousand miles, which shows the wide distribution of the shad that were hatched in the Sacramento River. Most of those hatched in

the Sacramento River probably return to that stream and most of those hatched in the Columbia River probably return to that stream; but the species is spread now over a distance of several thousand miles, and we have no reason to believe that salmon do otherwise. I think they probably do much the same way.

Mr. WICKERSHAM. Is not it true, Doctor, that there are certain species of salmon that go into particular rivers and nowhere else; for instance, the Quiniault?

Dr. EVERMANN. We have no evidence of that. The salmon that go into the Quiniault River are called Quiniault salmon because they go there. They do not differ from the salmon that go into the Columbia River, the blue back of the Columbia or the sockeye of the Fraser.

Mr. WICKERSHAM. They are the same fish?

Dr. EVERMANN. Yes, sir; they are the same species.

The CHAIRMAN. That demolishes some of the stories I have been telling around here, Doctor.

Dr. EVERMANN. I am sorry. It is doubtless a good story, too.

Mr. MOSER. My own view in regard to the movements of the salmon is that some of our salmon may even reach the Siberian side or the Kamchatka shore.

Dr. EVERMANN. Another word. You will remember when Mr. Rutter was at Karluk in 1903 he tagged a number of the adult salmon caught at the hatchery or in the lagoon below the hatchery. Later some of those tagged fish were caught again at the hatchery, but one of them was caught at Alitak, which was tagged up at Karluk Lake.

Mr. WEBB. How far is that?

Dr. EVERMANN. About 90 miles.

The CHAIRMAN. Were those adult fish?

Dr. EVERMANN. Those were adult fish.

The CHAIRMAN. They were coming into the Karluk River and going up when they were caught.

Dr. EVERMANN. Yes.

The CHAIRMAN. I thought they never go back.

Dr. EVERMANN. This shows that they sometimes do. I do not recall just where Mr. Rutter released that particular fish, but my impression was that it was in the lagoon.

Mr. MOSER. I think it was a fish that he had taken in the lagoon. I think he tagged several fish there that had a devious course. I have forgotten just the circumstances connected with it.

Mr. WICKERSHAM. Dr. Evermann, the theory now is that when the salmon go out from a hatchery they may spread all over the Pacific Ocean and return to any stream.

Mr. EVERMANN. Oh, I would not put it so broad as that.

Mr. WICKERSHAM. They return to any stream from the Sacramento to Siberia.

Dr. EVERMANN. Well, you are putting together what Capt. Moser said and what I have said. The general principle, I think, is that the salmon wander far and wide, and it is a safe statement to make. I think it is safe to say that the salmon hatched in any particular stream do not all return to one particular stream.

Mr. WICKERSHAM. Doctor, how much evidence have you on that subject at all?

Dr. EVERMANN. We have this evidence that I have mentioned regarding the shad.

Mr. WICKERSHAM. Yes.

Dr. EVERMANN. We have the evidence which I have mentioned regarding the particular sockeye salmon which Mr. Rutter tagged at Karluk, and we have the still further and really more important evidence derived from the fish which Mr. Chamberlain tagged at the Loring cannery or hatchery several years ago. There have been individuals of those tagged fish found in several different places, but in the same general region.

The CHAIRMAN. Beyond that you have no certain knowledge about it?

Dr. EVERMANN. Well, we think that is certain knowledge; everything else is guesswork.

The CHAIRMAN. It is supposition.

Dr. EVERMANN. Well, we do not know. They may be or may not be. We certainly know that the other is guesswork.

Mr. WICKERSHAM. All right; I think that makes it clear.

Mr. MOSER. Why should not the salmon travel through the seas over wide distances when we know the fur seal when he leaves is rookery travels down well toward the latitude of the Hawaiian Islands, and then passes over to the California coast and returns?

Mr. WICKERSHAM. But he goes right straight back to one little island.

Mr. MOSER. Yes; they do go back to one little island. I have said they wander, but that is for the reason that that is about the only place they have to haul out. There is no other place adapted for it.

Mr. WICKERSHAM. There are a great many islands in that country.

Mr. MOSER. I know; but the fur seal requires a certain hauling-out place for him to adapt to the use he makes of hauling out.

Dr. EVERMANN. I may make just one additional remark. The sockeye salmon, which is the most important salmon of Alaska, constitutes a species of salmon; that is to say, any given individual among the sockeye salmon might, so far as the structure is concerned, be the offspring of any other individual of that group. The range of that species is from the Columbia River, or a little south of it, up the American coast to Bering Sea and across to the Commander Islands and the coast of Kamchatka and down to northern Japan. You could draw a line around the region in which that fish is found. Now, the fact that it is a species means that there is mixing of individuals throughout that entire area. I do not mean to say that an individual on a stream on the east interbreeds with an individual on the extreme west, or that one on the extreme south interbreeds with one in the extreme north, but it will interbreed with near-by neighbors and those with other neighbors, and those with others, and there will be in the end a virtual mixing of all of the factors of the individual species so as to hold the species as a species. If any one group of individuals within the range of that species should become segregated and shut off so as to not interbreed with any other group, then, in the course of time those individuals in that group would result in the development of a distinguishable salmon—a distinguishable species. Interbreeding holds the species true and prevents the developing and fixing of different characters in different parts of the region covered by the species. But barriers which result in geographic isolation

which prevent interbreeding permit the development and fixing of variations which finally results in the formation of new species. So that when we find a species extending over a certain region we are safe, I think, in assuming that there has been and that there still is a more or less mixing of individuals within that area.

Mr. WICKERSHAM. Is that a theory, Doctor, or a fact?

Dr. EVERMANN. That is a biological fact, so far as we can know biological facts.

The CHAIRMAN. Captain, I do not know just where you were.

Mr. BROWNE. We can assume that he is just through with his pictures.

Mr. MOSER. I was going to continue in the description of the Fortmann hatchery, and I would say that besides the hatchery buildings we have excellent quarters for our employees, who run from 20 to 35 men all the year, according to season, with mess and storehouses, office, guest house, sawmill, boiler house, carpenter shop, blacksmith shop, barn, etc. We have two large nursery ponds for the fry 96 by 78 feet and 2½ feet deep, the sides cribbed up with squared sawed timber, having a capacity of 10,000,000 fry each, and we are now building additional nursery ponds and a pond 300 by 60 feet for the purpose of raising plankton.

Now, I suppose I might say something about plankton, which we are trying to raise. I believe that a spawning ground or a system where the young are raised is only limited in the number of fish that can be raised over that spawning ground by the amount of natural food which the fry may be able to obtain. It has been found, I believe, that the fishes—the young of fishes—live largely upon plankton.

I do not know that I know the definition of the word plankton. I do not know enough about plankton to say definitely what it is. I do know what it includes. It includes certain vegetable forms and the lower animal forms of slow-moving life. The particular object that is included under this term which is, I believe, a food for the fry of the salmon, is a minute crustacean, so small that probably 100 or more of them in a test tube would simply show a little reddish spot; this form of plankton has been found in the stomachs of the fry in large numbers.

We have made numerous inquiries in relation to this form as to how it can be grown, and we have found, or at least we have been informed by some people whom we believe should know, and whose views coincide with some German authorities in the matter, that cow manure affords a medium; in fact any decaying substance forms a medium in which these minute organisms will reproduce in immense numbers. For this reason we are building a pond to see whether we can raise natural food in sufficient quantity to feed the fry.

Mr. WICKERSHAM. What do you feed them now, Captain?

Mr. MOSER. We use the few steelhead which we get at the cannery. These we send to the hatchery, take the meat and run it three times through a meat grinder, mixing it into a pulp, and put it into a big tub and take in in portions about the size of an ordinary sausage cake, and a man goes around and puts a dab here and there in the ponds and the fry come around in endless numbers to consume it.

We held some fry in the ponds in 1910 when the Secretary of Commerce and Labor and the Attorney General were north. I went

north at the same time, met them there, and went through our hatchery at Naha with them—the Fortmann hatchery. When I knew that they were going north I wanted them to see the work we were doing, the condition of our buildings, and the handling of the fry, so I directed the superintendent to hold one pond full of fry as long as he could.

When we arrived they were feeding about 10,000,000 fry in the ponds. They took about 35 pounds of this steelhead food per day. How much more they would have taken I do not know, but they cleaned that up every day.

At Karluk we have fed them canned salmon—that is the canned salmon that was in cans which were not marketable, cans that were dented—what we call seconds. We kept those at the cannery and sent them to the hatchery and that was fed in slightly different ways. The meat of the salmon was taken and mixed up with water and rubbed through a fine sieve until it assumed a creamy mixture, and this creamy mixture was put into the nursery ponds and the fry consumed it in large quantities and seemed to thrive on it.

I had quite a correspondence on that subject with our superintendent at the Fortmann hatchery. He tried it and said he was not successful with it at all; that it did not seem to benefit the fish; that the fish did not improve on it. It is a difficult thing, I think, in Alaska to find a food for the fry unless we are able to raise a natural food. I believe other kinds of food are used in trout hatcheries and hatcheries of that kind. I think liver is used a great deal. Am I right, Doctor? I think liver has been used quite successfully.

Dr. EVERMANN. Yes; that is true.

The CHAIRMAN. Do you confine your hatching to one species of fish?

Mr. MOSER. Yes; we only get the rebate on one species. We have liberated probably ten or twelve million of the silver salmon and the humpback, but for those we have received no rebate.

I would like to say that in connection with the expense in building a hatchery such as we have at the Fortmann hatchery, we are obliged to provide expensive water systems. When that hatchery was first established there was a spring in the hill back of the hatchery from which we took water; but through some disturbance, supposed to be some seismic disturbance, the spring ran mud. The water became very muddy and smothered a great many of the eggs. So we were obliged to look elsewhere for our pure-water supply. We went to an upper lake and found a spring of pure water flowing from the mountain side. We now use that water for the hatchery and have laid for the purpose 11,171 feet of 8-inch pipe and 7,279 feet of 6-inch pipe; in all, 18,450 feet.

We have, besides this, a large flume 6 feet in width by 4 feet in depth, which takes the river water from an upper section and which we use for power to run our turbine which operates our sawmill and small tools and our electric plant.

Now, in regard to the criticisms that have been passed on private hatcheries and hatchery methods, the number of fry and eggs has been more or less referred to, and I might, in this connection, say what our method is. We take a 16-ounce glass graduate, which is filled with eggs. The number are actually counted. That is done three times, and each graduate is poured into a measured can. That measured can gives a standard, and all eggs that go into the basket pass through

that measured can. That is repeated three times during the egg-taking season: The fry are similarly counted in 16-ounce glass graduates, and that gives us an average amount.

The eggs are also checked by knowing by long experience the capacity of a basket. We know about how high a basket is filled for a given number of eggs.

That is our method of counting eggs and fry; so that while it is an estimate, still it is an estimate based upon as close a system of counting as you can get in a case of that kind. I do not know what the method is of the Bureau of Fisheries; whether it does that in another way or not.

Dr. EVERMANN. Mr. Bower can explain that.

Mr. BOWER. The method is very largely the same as the one described by Capt. Moser with this exception—that we keep very close tab on the number of dead eggs picked out through the season.

Mr. MOSER. We do that, too.

Mr. BOWER. They are carefully measured. At the end of the season the number of dead eggs is deducted, and it is safe to assume that the remaining number is the number of fry released.

Mr. MOSER. We keep track of our dead eggs. They are measured every day.

Mr. BOWER. I am quite familiar with the manner of measuring the eggs at the Fortmann hatchery of the Alaska Packers' Association, and I think that it is properly and fairly done there.

The CHAIRMAN. Captain, do you go into the cost of running these hatcheries?

Mr. MOSER. Yes, sir; I have that. I have taken this simply in what I call the hatchery history. I have only one thing more to add. To show the manner in which we attend to our hatchery work, we have monthly reports which are made to us. That is on a form, a tabulated form. I inspect them myself.

The first one is what we call our monthly hatchery report, which gives us the summary of what was done during the month at the hatchery. Then we have the monthly report of stock salmon, eggs and fry. This gives an account of the eggs received, the loss of eggs, the number hatched, the number on hand at the end of the month, and all matters connected with the fry—the fry on hand first of the month; the fry hatched during the month; the fry liberated during the month; the loss during the month; the amount on hand at the last of the month.

Then we have a similar report which takes in the whole season's operations. That is submitted twice a year. Besides that we have our labor reports, kept monthly—monthly labor report. We keep also a daily record of meteorological observations. I do not know that this would be of any particular value in the record, but thought it might be of interest to exhibit our blank forms, in order that you might note the methods adopted for our hatchery work.

The CHAIRMAN. I hardly think it ought to go into the record.

Mr. MOSER. So much has been said on the subject of private hatcheries on account of the Government rebate allowed by the law of 1906, by which a portion of the salmon tax was devoted to the development of the salmon fisheries which paid the tax, that a sentiment has been created against the rebate, and, personally, I may say that I am surprised at the attitude of the authors of the present bill

in approving the revocation of the measure. In other words, if private hatcheries are discouraged, as provided in the bill, and cease to operate the amount of rebate which is now honestly devoted to replenishing the fisheries will be used for the interior development of Alaska, in which the salmon fisheries have no commercial interest. You will therefore pardon me when I express my surprise that the authors to whom we look for support and encouragement should draw up and approve a measure which takes away about \$50,000 a year from the good work that is being done by private persons for replenishing the fisheries, and I may say this work is as well done, as honestly done, and as cheaply done as the Government can do it.

It will probably be said that it is expected to ask Congress to make ample provision for hatcheries in Alaska and cover at least any losses obtained by annulling the rebate. It appears to me, however, that a bird in the hand is worth preserving, and it were far better for all concerned to encourage private hatcheries by permitting a just rebate at least until such time when the Government has actually established and is actually operating a sufficient number of hatcheries to satisfy the drain on the fisheries.

The measure carries no provision for taking over and reimbursing the owners of private hatcheries, though they were all built except one, and that one very much enlarged, by act of Congress which gave the Secretary authority to establish regulations under which orders were issued each year from 1900 to 1906 for all persons taking salmon from the waters of Alaska to establish hatcheries and place in the waters red salmon, to the number of four (1900 and 1901) for each salmon taken, and in 1902, 1903, 1904, and 1905, 10 fry for each fish so taken.

The total expenditure for construction and maintenance of our two hatcheries to December 31, 1911, is as follows; The Fortmann hatchery \$229,758.07; the Karluk hatchery, \$244,407.99; total, \$474,166.06.

This does not include plans, transportation of material, office expenses, and so forth.

The CHAIRMAN. It does include the annual maintenance charges, labor, and all that—all charges against it.

Mr. MOSER. This investment in these hatcheries is not in building alone. Expensive water systems, ripening ponds, nursery ponds, roads, and so forth, must be built and maintained at great expense.

The total number of fry liberated from the hatcheries operated by the Alaska Packers' Association is 765,150,652; fry liberated since 1906, 511,255,412. This includes some 11,000,000 to 12,000,000 cohoes and humpback fry, for which we receive no rebate.

The average cost of fry liberated for 6 years, from 1906 to 1911, inclusive, is: For Fortmann hatchery, 36 cents per 1,000 fry; for Karluk hatchery, 43 cents per 1,000 fry. This does not take into account the investment in plant.

Taking now the total expenditures of both hatcheries from their inception—the one from 1896, the other from 1900—to 1905, inclusive, the investment is \$274,628.15, and for all subsequent expenditures—that is, since the rebate act of 1906—as operating expenses, we have a total of \$199,537.91, for which we have received rebate for sockeye fry \$199,800.96; excess of rebate over expenses, \$263.05.

The average operating profit for 6 years, not charging any interest on investment, was \$43.84, or .0016 of 1 per cent per annum.

It has been said in a feigned way and intimated that the private hatchery work is not honestly conducted; that these hatcheries are simply shacks with a stove in each end—make-believe affairs to defraud the Government of its just taxes.

In that connection I desire to refute any such idea as an unjust slander. Two of these hatcheries are operated under my direction and I have visited them frequently, and in 1910 had the pleasure of conducting the Secretary of Commerce and Labor and the Attorney General through one, and I believe these gentlemen would, if called upon, attest to its worth. Members of the Fish Commission have visited our hatcheries frequently, as well as professors of zoology in State universities, some of whom have spent several months at our location, carrying on their investigations. To all these gentlemen we have opened wide our doors and extended a welcoming hand, giving them every facility to carry on their work, and, if necessary, I shall be pleased to have them called for an expression of opinion.

These hatcheries are more than equal to any Government hatchery. One in central Alaska is located on Karluk River, on Kodiak Island, built in 1895, and operated every year to date. It has a capacity of about 55,000,000 eggs and the other, near Loring, both previously referred to, has a capacity of about 110,000,000 eggs, the latter the largest salmon hatchery in the world. These private hatcheries of the Alaska Packers' Association are, with all the attending buildings, especially well constructed. They are steam heated, electric lighted, and the equipment the best that money can buy. They are honestly conducted by men I can vouch for, and I feel confident that the annual returns of fry liberated are well within the actual number liberated. Our instructions to the superintendents are to be sure to make the count rather under than over the amount.

Permit me, then, to ask that section 2, page 5, be modified by striking out, on line 14, all that follows the word "after" and substituting "suitable arrangements have been made for the purchase of private salmon hatcheries"—and there are a sufficient number of Government hatcheries in operation to keep the supply of salmon normal—"as may be determined by the Secretary of Commerce and Labor."

In this connection I may add that it had been repeatedly said that the salmon fisheries have not sufficiently responded to the hatchery work. In answer to this I can only refer to the success attained on the Columbia River, a stream that has been hard fished since 1866, and which last year, I am told, had a run equal to, if not exceeding, the run of any previous year.

Before my departure from San Francisco I had a conference with the former chief deputy of the California Fish and Game Commission, who was the working member of that commission for many years. He referred me to the report of the board for 1909-10, page 22, second paragraph, which commences:

That the supply of salmon in the waters of this State is not only being maintained, but positively increased, through artificial propagation there can be no question.

He then, in a paragraph and a half, presents his proofs, which, if you desire, may be appended.

The CHAIRMAN. Captain, is that a good place to stop?

Mr. MOSER. Yes, sir.

The CHAIRMAN. Then we will have to adjourn. My committee duties are such that it will not be possible for me to meet with you Monday, and possibly Tuesday, morning. We will try to have a meeting, however, in the early part of the week and you will be advised of the time.

Thereupon, at 4.45 o'clock p. m., the subcommittee adjourned, subject to the call of the chairman.

MONDAY, MAY 20, 1912.

COMMITTEE ON FISHERIES,
UNITED STATES SENATE,
Washington, D. C.

The committee met at 8 o'clock p. m.

Present: Senators Jones (chairman), Bourne, and Overman; also Hon. James Wickersham, Delegate in Congress from Alaska.

Also appeared Mr. Barton W. Evermann, Chief Division of Alaska Fisheries, Bureau of Fisheries, and Mr. Ward T. Bower, assistant agent, Alaska salmon fisheries; also Messrs. John Sidney Webb, Charles W. Dorr, Aldis B. Browne, and J. F. Moser.

STATEMENT OF MR. JEFFERSON F. MOSER—Resumed.

The CHAIRMAN. Captain, whenever you are ready you may proceed.

Mr. MOSER. I would like to say before going any further this evening that possibly in referring to the Karluk hatchery and the Karluk stream, with which I closed my remarks at the last meeting, in the discussion we had in reference to it, that I do not think I did altogether justice to the Karluk River. Judge Wickersham said the Karluk River was believed to be one of the great salmon streams of Alaska; it is a large salmon stream; yet the fish that are taken from the Karluk beach, as I have said, I believe in my reports long before I was commercially engaged in this matter, we never believed all belonged to the Karluk River.

If you will permit me I will show you a chart which will give the location in reference to the approaches to that stream. Here is Prince William Sound and here is Cook Inlet and here is Kodiak Island and this is the Alaska peninsula and this is around the Bering Sea and shows the upper part of the Bristol district, where the fisheries of Bristol Bay are. Karluk is here and there is Karluk River, which is the outlet for Karluk Lake.

The CHAIRMAN. How far is it from the mouth of the lake?

Mr. MOSER. As near as we know about 18 miles.

The CHAIRMAN. How wide is this stream at the mouth?

Mr. MOSER. You can almost jump across it. It is not more than 50 feet.

The CHAIRMAN. It is just a small stream?

Mr. MOSER. It is just a small stream; yes.

The CHAIRMAN. And what is the elevation of this lake above the level there at the mouth?

Mr. MOSER. I do not think we have any data on elevations.

The CHAIRMAN. Is it a pretty swift stream?

Mr. MOSER. There are rapids all the way down. The reason we have never approached the lake from this end [indicating] is that it is all broken tundra. I have had a reconnaissance made, going through and approaching from this passage here, Uyak Bay and Larsen Bay. Here is a trail leading over to the river. This has never been surveyed, so it is not accurate. The relative positions of Larsen Bay and the lake are different. That is, I should say the distance from the head of Larsen Bay down to the lake is probably 8 or 9 miles. If we put a hatchery on the lake, we would have to approach it from Larsen Bay.

The CHAIRMAN. What is the area of the lake? How long is it and how wide?

Mr. MOSER. I have never been to the head of the lake. I was only at the lower end and had no means for exploring it. I am simply guessing at it. It may be 6 to 10 miles long. There is a small lakelet attached to it. I do not know but what there may be more than one.

Many of these lakes have never been explored fully. Take our lake system at the Naha hatchery. We have never been up to the end of the lake system. I have been up to two lakes beyond the hatchery, but got stalled and could not get around it.

The CHAIRMAN. This map or plat does not take in the other lake.

Mr. MOSER. It is just the outlet to the lake. Here are the mountains and this is the watershed to this mountain system. There are little streams which make into the lake.

Mr. WICKERSHAM. Captain, you spoke about a near-by stream from which you get many fish.

Mr. MOSER. That is here, at Chignik.

Mr. WICKERSHAM. Did you not say something about a stream close by?

Mr. MOSER. Chignik is about 100 miles away. There is a stream down here at Alitak. The one I referred to is at Chignik here.

The CHAIRMAN. About 100 miles away?

Mr. MOSER. About 100 miles away; it may be a little more than that.

The CHAIRMAN. It comes in the same general stretch of water.

Mr. MOSER. Here is the ocean; here is where we take the fish out at Karluk and where the stream gets its name and here is the beach. There is where we do our fishing. We believe that the fish in coming in from the sea here under some conditions school around in this place and around Karluk River beach and these fish do not all belong to Karluk River. They school around there and many eventually go into other streams as far as Cook Inlet. Large schools of salmon have been seen here off Uyak passing up Shelikof Straits.

Mr. WICKERSHAM. How do you explain the fact, then, that the fish are getting scarcer at Karluk, if that is true?

Mr. MOSER. We do not know much about these things, Judge. I will point out another case with regard to our Loring hatchery. There have been large catches of fish there in the Skeena River in the last few years, nearly double the pack made before.

Mr. WICKERSHAM. How far is the Afognak hatchery from you?

Mr. MOSER. Here is the Afognak hatchery [indicating] up on this lake. This is our position here.

The CHAIRMAN. How far is that from Karluk?

Mr. BOWER. About 60 miles they usually call it.

Mr. MOSER. I should judge all of that because we call it 90 miles from Karluk to Alitak, and I should judge it was all of 60 miles to Afognak. That opens out into this district here. The work there would benefit the small streams around on this side of Kodiak Island.

Mr. WICKERSHAM. That is pure theory on your part?

Mr. MOSER. Entirely.

Mr. WICKERSHAM. Those fish from Afognak may all come around there and be used on Karluk Beach. They may be the fish you are catching.

Mr. MOSER. I do not think at Afognak. The stream at Afognak has not responded to the hatchery there.

Mr. WICKERSHAM. Why?

Mr. BOWER. The hatchery has only been in operation three full seasons. There has not been time.

Mr. MOSER. What was the first year at Afognak?

Mr. BOWER. 1908.

Dr. EVERMANN. It has been in operation three years.

Mr. BOWER. Fry have been released only during three complete seasons, the first occurring in the fiscal year 1909.

The CHAIRMAN. This Karluk Lake is the only other lake on Afognak Island?

Mr. MOSER. No.

The CHAIRMAN. I wondered whether there were any other streams there into which salmon could come.

Mr. MOSER. Yes; there are some here and here and down here in Eagle Harbor. There is a stream in here.

The CHAIRMAN. Do you know of any others?

Mr. MOSER. Some fishing is done there. We fish at Alitak.

The CHAIRMAN. Do you get fish there?

Mr. MOSER. We make from 25,000 to 30,000 cases and sometimes 40,000 cases.

The CHAIRMAN. Have you a cannery there?

Mr. MOSER. Yes; we have a cannery at Alitak.

The CHAIRMAN. How many canneries are there on Kodiak Island?

Mr. MOSER. Altogether operating at Kodiak Island last year, three.

Mr. BOWER. Three in operation on Kodiak Island, and a new one is being built this year at Kodiak.

The CHAIRMAN. How many canneries are there at Afognak?

Mr. MOSER. There are none at Afognak. Afognak is a Government reservation and by creating this reservation I may say here, incidentally, that the Government caused us a loss of about \$250,000 invested in two canneries at Afognak, by one stroke of the pen.

The CHAIRMAN. What is it reserved for?

Mr. MOSER. Forestry and fishing.

Mr. DORR. It is a fish and game reserve. It was originally reserved for fish and game.

Mr. MOSER. I thought it was also a forest reserve. It seems to me there is a forest reserve there because we are obliged to arrange for our piling.

Mr. DORR. It may have been covered since. It was originally set apart for a fish and game reserve.

Dr. EVERMANN. It was set apart by President Harrison as a fish and game reservation for fish-cultural purposes. Later it was included in the Chugach Forest Reservation.

The CHAIRMAN. Has the Government a hatchery on Afognak Island?

Mr. MOSER. Yes.

The CHAIRMAN. Just one?

Mr. MOSER. Yes.

Mr. WICKERSHAM. The Government has none on Kodiak Island, has it?

Dr. EVERMANN. No, sir.

The CHAIRMAN. Where is the other Government hatchery?

Mr. MOSER. At Yess Bay. That is in southeast Alaska. I think I had better explain more fully in regard to the Karluk fisheries. We do not believe and never have believed that all the fishes taken off Karluk Beach would eventually go up Karluk River. I think it is a schooling place where fish come in from the sea.

Mr. WICKERSHAM. Your hatchery there is toward the mouth of the stream?

Mr. MOSER. At the mouth of the main body of water, where it flows into the lagoon.

Mr. WICKERSHAM. It is away below the lake?

Mr. MOSER. Yes; it is away below the lake.

Mr. WICKERSHAM. It is almost down to the river?

Mr. MOSER. Yes.

Mr. WICKERSHAM. As a fisherman, what do you think of the location?

Mr. MOSER. That hatchery when first placed there was selected by an expert hatchery man as the one locality in that region. You must remember, Judge, that in those days—16 years ago—our knowledge of the interior of Alaska was limited. Hatchery sites were apparently little known. For instance, to show you how little progress was made in those early days in the exploration of the salmon fisheries, in 1889 there was a special appropriation by Congress. I can not tell you the wording of that appropriation, but it was for the purpose of examining the salmon streams of Alaska. An expedition was sent out under Dr. Bean, one of the best fishery experts employed under the Fish Commission, together with one of their best hatchery experts, a surveyor, and a small staff. They started to explore the Alaska salmon streams, and they got as far as Kodiak Island and they never got any farther than Kodiak and the vicinity of Afognak during the season. I simply mention that to show you the difficulty attending the exploration of the interior waters.

Even up to 1900, take the hatchery location at Naha as an example. When I went to Loring in 1900 for the purpose of exploring Naha salmon stream there was not a white person who had ever gone beyond the lagoon. They could not tell me anything about the interior of that country. Eventually I found an old Indian who claimed a hunting ground on the lakes, and with his assistance and his canoe we managed to get at the upper lake system and to know a little something about it; but there were people who had lived around Loring for many years—canneries had been operated there since 1888 and 1889, and yet little was known of the interior.

Mr. WICKERSHAM. As a practical fisherman, do you think the location of the hatchery at the mouth of the Karluk stream is a proper one?

Mr. MOSER. As my knowledge of hatcheries goes, if I were to build a hatchery to-day I would not build it at the mouth of a stream.

Mr. WICKERSHAM. As a practical fisherman, is it not your judgment that the fingerlings or the salmon fry put out at the hatchery are absolutely worthless and die?

Mr. MOSER. No; I do not agree with you. No; I do not.

Mr. WICKERSHAM. You think some of them live?

Mr. MOSER. I believe the larger number live.

Mr. WICKERSHAM. But their natural home is usually in the upper streams above the lakes?

Mr. MOSER. There are two great essentials for the place best adapted, in my opinion, for a hatchery. The first is to place the hatchery as near the natural spawning ground as you can.

Mr. WICKERSHAM. Where is that; on the Karluk River?

Mr. MOSER. That is on the lake.

Mr. WICKERSHAM. Is it not above the lake—in the streams above the lake?

Mr. MOSER. In the feeders of the lake. The feeders there, I think, so far as I know, are small. There would be no trouble in putting a hatchery right on the lake.

Mr. WICKERSHAM. That would be 18 miles from where it is now.

Mr. MOSER. That would be 18 miles from Karluk River by the windings of the river. But I was going to speak of the proper site for a hatchery. As I said before, I think the first great essential is to place your hatchery near the natural spawning ground, where your fish ripen, and where you can take them when they are ripe for spawning. Secondly, you must have an abundance of pure water. Those are the two main essential prerequisites for a successful hatchery.

The CHAIRMAN. Dr. Evermann, what do you think about this fish hatchery down there at the mouth of the stream and the liberating of fry there?

Dr. EVERMANN. Mr. Chairman, as a matter of fact, the hatchery is not at the mouth of the stream. If you consider the mouth of the stream down at Karluk Beach, where Capt. Moser explained the canneries are, you could not say the hatchery was at the mouth of the stream. It is up several thousand feet at the head of the so-called widening of the stream—the lagoon.

Mr. BOWER. It is a mile and three-quarters.

Mr. MOSER. Where from?

Mr. BOWER. From the spit up to the hatchery.

Mr. WICKERSHAM. Is the water brackish?

Dr. EVERMANN. The tide ebbs and flows, and it is more or less brackish.

Mr. MOSER. It is more than that from the mouth on the shore.

Mr. BOWER. I meant from the spit. It would be a little over 2 miles from the mouth of the river to the hatchery. This is shown by a chart in United States Fish Commission Report for 1889.

Dr. EVERMANN. I have been to the hatchery, and my impression is that it is between 2 and 3 miles from the canneries at the mouth of the stream up to the hatchery. I have been some little distance above the hatchery, up the stream, perhaps 2 miles. If I had been

locating a hatchery in that region I would not have located it at its present place. I would have put it up on the lake somewhere. I have never been there, but one of our men spent the entire summer of 1903 studying the salmon in that lake and its small tributary streams. Mr. Rutter spent that season there, but, unfortunately, he died that fall, soon after returning from the North, so we have never published any detailed report of his work. My recollection is that the lake has no large tributary streams, but numerous small streams that flow into it, and that the salmon spawn in these small tributary streams and in the lake about their mouths.

I have no doubt but that it would be entirely practicable and feasible to operate a hatchery at any one of several places on the lake, but it is a little difficult to get there. I believe you claim, do you not, that it is easier to reach the lake from Larsen Cove than by going up the river?

Mr. MOSER. Yes.

The CHAIRMAN. What I want to get at, Doctor, is your opinion as to the hatchery.

Dr. EVERMANN. Where it is now located? I will say frankly that its efficiency could be greatly increased if put up on the lake. It, however, is not so much a question of the location of the hatchery as it is a question as to where the fry should be liberated. If it were practicable to carry the fry up the stream and liberate them somewhere above the hatchery—the farther the better—it would be all right.

The CHAIRMAN. What do you think is the efficiency of that hatchery as operated now and as it has been operated?

Mr. WICKERSHAM. On a basis of 100 per cent.

Dr. EVERMANN. Well, I would not attempt to say in percentages, but I would say this: That there is nothing inherent in the location which would prohibit it from being operated with fair success. The degree of success will depend a good deal upon the men who operate it.

I do not know the man who is superintendent now. I knew Mr. Richardson, who was there several years ago. I spent, perhaps, two days with him, and the impression that I got from my conversations with Mr. Richardson was that he was a fairly capable fish culturist, and that he was doing fairly good work. I will say he did good work at that hatchery. He had been, I think, on the California fish commission, had he not?

Mr. BOWER. He was in the employ of the United States Fish Commission at Baird, Cal.

Dr. EVERMANN. He had been trained by Livingston Stone at Baird, Cal., and Livingston Stone was the father of salmon culture in America.

The CHAIRMAN. You have no means or knowledge or facts upon which you can base a comparison between the efficiency of this hatchery where it is and as it is now operated with a hatchery properly located on the lake, have you?

Dr. EVERMANN. I could make no direct comparison between the efficiency of this hatchery and the efficiency of another hatchery operated on Karluk Lake. I should say, however, that my judgment is that the Fortmann or Loring hatchery, located as it is, much farther above salt water, would yield much better results.

The CHAIRMAN. Why do you say that?

Dr. EVERMANN. Assuming that the fry are liberated in the vicinity of the hatchery, they would have a longer period in fresh water before they got down to salt water.

The CHAIRMAN. They have been liberated right at this hatchery, have they not?

Mr. MOSER. Yes. They have been kept, however, in nursery ponds. We have a nursery pond there in which they are kept until they are able to maintain themselves.

The great objection to the Karluk hatchery that I see is that it requires a larger number of fish for a given number of eggs than a hatchery situated on a lake, for the reason that we are obliged at this hatchery to place them in corrals, and from these corrals as they ripen they are transferred to ripening ponds which we have built up into the side of the hill in successive steps. Now, the parent salmon in these corrals try to free themselves and frequently injure themselves to such an extent that they die; so that it is not so economical in parent fish as in a lake where they ripen under natural conditions and where you can seine them.

The CHAIRMAN. If you secure 40,000 eggs there, do you think, Captain, that you will get practically as many fry or fingerlings as you would if you had that many up at the lake?

Mr. MOSER. Yes; we would. So far as the hatchery and the hatching of the eggs is concerned, it is fully equal to any hatchery we have.

The CHAIRMAN. Have you facilities there that would fairly take the place of conditions up at the lake?

Mr. MOSER. We have a large nursery pond in which the fry are kept until they are able to maintain themselves.

The CHAIRMAN. Do you think you keep them in this nursery pond as long as they would stay in the lake?

Mr. MOSER. That we do not know. We do not know how long they stay under natural conditions. By inference it is believed, at least, that the young of the sockeye do not all go to sea until the year following.

The CHAIRMAN. That is the spring following their hatching?

Mr. MOSER. No; it is believed that many remain a year. That is, a year from the spring following the advent of the parent salmon; but fry of different ages are frequently seen going to sea in the spring of the year, what we term yearlings, and also the fry just come from the parent fish of the preceding year. Both are seen in large numbers going to sea together.

The CHAIRMAN. That is probably fry hatched earlier than the others?

Mr. MOSER. No; those hatched at different periods.

The CHAIRMAN. Those hatched during different years?

Mr. MOSER. At different years; yes, sir.

The CHAIRMAN. Some of them may stay up there more than a year.

Mr. MOSER. No; just a year. Some of them stay the year. I do not think any of them stay more than a year; at least I do not think we know that they do. Say, for instance, the parent fish come in this August or September. The fry from these eggs are all out by March. They are free swimmers by April of the following year. Some of those fish remain in that lake system until the following spring, and some go to sea direct. I think it is a question of food, if

natural food is abundant the yeoung are more apt to remain a longer time.

Mr. WICKERSHAM. How long do you keep them, under your system, before you turn them out?

Mr. MOSER. I could not tell you so far as the time is concerned. I do not know; but we keep them until they are good size.

Mr. WICKERSHAM. Do you keep them over winter?

Mr. MOSER. No.

The CHAIRMAN. When do you usually hatch them?

Mr. MOSER. The periods are very widely separated. For instance, we commence taking the eggs at Karluk the latter part of June, and we continue taking eggs there until September or October. Those eggs that we take in June are hatched out along in November.

The CHAIRMAN. When do you let those go?

Mr. MOSER. Those would be released probably the following February or March. We hold them in the troughs a long time and then release them and let them go into the pond. Sometimes they are held until they are quite large. Of course the time varies.

Sometimes the young of these fish will try to break away. I have seen them in the nursery ponds around the screens in great numbers, in such numbers that they would seem to smother each other in the effort to get through. We often release the lot that are banked around the openings and let them go.

Mr. WICKERSHAM. Captain, I have been told—I do not vouch for it at all, but I am repeating it to you so that you may make whatever statement you care to about it—that very frequently the small fish there which have been hatched at this hatchery all bank up on the sides of the bay around Karluk and die.

Mr. MOSER. I know that has been said. All kinds of things have been said about that hatchery, Judge, and that fishery.

Mr. WICKERSHAM. How about that?

Mr. MOSER. I have never seen it and I have never heard a correct account. In fact, I inquired of our superintendent only recently as to that.

Mr. WICKERSHAM. You do not know of your own personal knowledge?

Mr. MOSER. No; I do not know.

The CHAIRMAN. Have you any information on that line, Doctor?

Dr. EVERMANN. Mr. Chairman, I have no information on that particular point; but I have heard that same story about salmon fry in various places, but every time the matter has been investigated it was found that the fish which were stacked in windrows on the shore were not salmon fry at all. In most cases in Alaska they are what are called the sand lance—a little fish that gets about so long [indicating].

Mr. WICKERSHAM. The man that told me that story, Doctor, is a very prominent man.

Dr. EVERMANN. Well, I can say this: So far as salmon fry are concerned, a good many fish culturists do not know the difference between them and the sand lance. They do not know a sockeye salmon from a humpback when it is a fingerling.

Mr. MOSER. I do not think many do.

Dr. EVERMANN. But I would like to say this in addition in regard to the Karluk hatchery, if I can put it in a few words: There are the two objections, as I see it, to the present location of the Karluk hatchery. First, it requires the retention of the fish that are to be spawned for a considerable period of time. They are caught in the river or lagoon before they are entirely ripe and are corralled and held in corrals until they are ripe. That results in considerable loss of these spawning fish. That means that the corraling is hard on them. It causes a considerable mortality among them. A large percentage, however, remain alive until their eggs are mature and they are spawned and their eggs are taken and fertilized.

It is not unreasonable to think that even those fish that are still living are more or less enervated, and it may be that their eggs are not as virile and strong and able to produce as vigorous fry as would be produced under natural conditions. That is simply a supposition—an inference drawn from general observation—and is not based on any experiments made to determine the facts, so far as I know. I may be all wrong, but in the absence of any investigation I should think that would be probable. As I say, however, I would be perfectly willing, after investigation, to admit that that was not true.

The second objection is that unless the fry are retained for a considerable length of time, or for that period of time during which they would naturally remain in fresh water, then the earlier liberation would be disadvantageous. So those are the two great difficulties with the Karluk hatchery which the people there have to contend with.

Mr. MOSER. We recognize that the Karluk hatchery is not as well placed where it is as it would be were it on the lake. We recognize that, but it was the best that could be done at the time. We had one of the best fishery experts we could obtain at that time to locate the hatchery; and when it was first built it received a great deal of praise and favorable criticism of the work that was being carried on there.

The CHAIRMAN. I know we have it in the record, but I have forgotten. When was it put in there?

Mr. MOSER. In 1896. There was a hatchery put in earlier than that—in 1891. It was a small hatchery and only ran one year. We were not very successful with it.

The CHAIRMAN. There was not any intention to put it there, in the first instance, just merely to raise fry to get the benefit of this rebate?

Mr. MOSER. No; it was operated 10 years before that.

The CHAIRMAN. What about the spawning up at the head of the lake, now with the hatchery in operation? You do not keep all the fish from going up there?

Mr. MOSER. Oh, no. Of course there is no hatchery up there. That is the place that I had in mind in the early part of my hearing here when I said that we had made a reconnaissance on the lake for the purpose of moving the Karluk hatchery to avoid this criticism, and we thought that we could obtain better results there than we could down below. That is the hatchery which was the subject of my conversation with the president of the association only a short time before I came here.

In talking the matter over with him he said, "If you can move that hatchery up to the lake for \$75,000 and increase its capacity to

100,000,000 fry, go ahead." I was afraid to undertake it until I had looked into the matter more thoroughly; because we will have to build a road across the tundra, or a tramway, and that will probably have to be piled a long distance. I was afraid to undertake it until I had more data in regard to it.

The CHAIRMAN. What does it cost to operate that hatchery for a year?

Mr. MOSER. I am unable to give that exactly. The fry cost about 43 cents a thousand.

Mr. WICKERSHAM. How many men have you there?

Mr. MOSER. At the Karluk hatchery it differs. When we are taking fish, for instance, we will have, with the fishermen and all, I suppose, 20 or 25 men.

Mr. WICKERSHAM. At the hatchery?

Mr. MOSER. Yes. At our Fortmann hatchery we have all the year round an average of not less than 20 men, and when we are taking fish and engaged in hatchery operations we have as high as 35 men.

The CHAIRMAN. About how does the rebate run at these hatcheries compared with the expense of operating them?

Mr. MOSER. I should say that it costs us a little more at the Karluk hatchery than the amount of rebate. Of course, Senator, so far as the cost of fry is concerned, it makes a great difference whether you get 100,000,000 eggs, for instance, or whether you get 50,000,000 eggs at the same hatchery.

The CHAIRMAN. I wanted to get the expense of operating that one hatchery as compared with the rebate you receive.

Mr. MOSER. As I said in my hearing, the average cost of fry for six years at the Fortmann hatchery is 36 cents a thousand and at the Karluk hatchery it is 43 cents. I can tell you that exactly.

Mr. WICKERSHAM. Your people recognize that that hatchery is not in the right place when they contemplate moving it up to the lake?

Mr. MOSER. We recognize that there is a better location on Karluk Lake; yes. We certainly would not use so many fish for getting a given number of eggs that we use now. Those fish are taken entirely by natives, put in live cars, and carried to the hatchery, and that is an expensive operation. That is what makes the cost of fry so great. [Reading]:

Cost of fry at the Fortmann hatchery, 36 cents per thousand; at the Karluk hatchery, 43 cents per thousand.

That is the average for six years, from 1906 to 1911, inclusive.

The CHAIRMAN. We have diverted you somewhat, but you are giving us interesting information.

Mr. MOSER. I was on the hatchery subject and I had not quite finished in regard to the Fortmann hatchery I want to speak of. I want to show you the geographical situation in reference to the Fortmann hatchery. Here is a chart of southeast Alaska. Here is Dixon entrance; here is the boundary line; here are the channels running up to the head of Lynn Canal and to Skagway.

Here is a large entrance leading into these inland waters; and here are the other entrances. Those are the great avenues. There is of course another opening up here in Icy Straits, and our hatchery is there [indicating]. There is Loring [indicating].

The CHAIRMAN. Where is Ketchikan?

Mr. MOSER. Ketchikan is here. Loring is about 18 miles from Ketchikan.

Mr. DORR. Right at that point will you not show them where Yes Bay is situate?

Mr. MOSER. Here is Yes Bay and there is the hatchery.

Mr. WICKERSHAM. Whose hatchery?

Mr. MOSER. The Government hatchery. This is our hatchery [indicating]. They open on the same body of water on the Behm Canal.

The CHAIRMAN. Is there a lake at this hatchery?

Mr. MOSER. Yes; we have three or four lakes there.

The CHAIRMAN. Is that hatchery on the lake?

Mr. MOSER. Our hatchery is on the third lake.

The CHAIRMAN. You are properly located there?

Mr. MOSER. Yes; rather expensively located, because our transportation there costs a great deal. We are up on the third lake, and we are obliged to have tramways over the intervening ridges between the lakes and barges on the lakes. We have a great deal of transporting to do. We keep cattle and feed has to be transported.

The CHAIRMAN. How far is that from the Behm Canal?

Mr. MOSER. About 6 or 7 miles.

Mr. WICKERSHAM. What do you keep cattle there for?

Mr. MOSER. We keep them there for the hands, for milk and butter. We keep pigs and chickens and all that sort of thing there. All of that feed has to be taken in.

During the summer there is a great deal of work around a hatchery to keep up its efficiency. The troughs have to be painted out with asphalt paint. The baskets all have to be painted, wood cut, etc. Everything has to be overhauled and kept in a cleanly condition.

The CHAIRMAN. What stream goes down by that hatchery?

Mr. MOSER. That is the Naha.

The CHAIRMAN. How large is it?

Mr. MOSER. It is one of those small Alaskan streams. I suppose there are places where it runs over the shoals where it may be 100 feet wide.

The CHAIRMAN. How does it compare with the stream at Ketchikan?

Mr. MOSER. It is larger than that. The one at Ketchikan is very small.

The point I want to call particular attention to is this: Here is the wide opening of Dixon entrance. Here is the Skeena River coming in here. Here is our hatchery at Loring. The chances are that this is probably the avenue or highway for the fish in this lower part of Alaska. Take, for instance, the fish coming in, when our hatchery fish return in general course of time the chances are I think rather in favor of their ascending the waters of the Skeena River and entering those waters than up through these tortuous passages to Behm Canal.

Mr. WICKERSHAM. The waters of the Skeena extend on quite a way, do they not?

Mr. MOSER. It is a very large stream.

Mr. WICKERSHAM. It is a large stream.

Mr. MOSER. And I think the increase of salmon in the Skeena River and these streams of northern British Columbia is due to the hatchery at Yes Bay and Fortmann.

The CHAIRMAN. Are there canneries located upon the Skeena?

Mr. MOSER. Oh, yes; along the Skeena they have quite a number.

The CHAIRMAN. And from the information you have, is the supply of fish increasing up there?

Mr. MOSER. Very largely.

The CHAIRMAN. Since you put in your hatchery?

Mr. MOSER. Yes, within the last few years, since 1908.

Now there is another thing which has occurred to me while I have this chart here. It developed here a short time ago during the hearing when it was said that there had been an objection on the part of Puget Sound to having Alaska sockeyes called sockeyes on the labels. I think that matter came up in connection with the labels. Yet these fish here are undoubtedly the same class of fish that we get in southeast Alaska. If there is any question at all in regard to it these people would very much object not to have their fish called sockeyes.

Mr. DORR. Under the ruling of the Food and Drug Board, it was decided that they might name them sockeyes.

Dr. EVERMANN. I might add that there are no hatcheries on the Skeena River or in that locality.

The CHAIRMAN. When do you turn your fish loose at this Loring hatchery?

Mr. MOSER. We have, as I showed you the other day, in looking at the photographs, two large nursery ponds there.

The CHAIRMAN. You keep them there in nursery ponds?

Mr. MOSER. We keep them in the nursery ponds. Those ponds will hold about 10,000,000 fry each. They are 96 feet by 78 feet and 2½ feet in depth and we estimate they will hold about 10,000,000 fry each. We built the ponds to hold the fry a long time.

The CHAIRMAN. Do you hold them there longer than you do at the Karluk hatchery?

Mr. MOSER. No; we do not, because our aim at Karluk is to hold them until they are free swimmers and able to maintain themselves. At Fortmann we have also a large creek at the head of the lake, in which we have destroyed all the enemies of the fry, and have fenced it off so that we put a large number of fry into this creek. We have on that lake a hunter who goes around all the time, killing eagles and sawbills and all enemies of the fry in the air. We set traps for bullheads and we catch all the trout. They are all enemies of the fry. The fry has enemies everywhere, in the air and in the water. In fact, they are themselves cannibalistic. If you take some of these bullheads and catch them by the tail the fry will run out of their throats. We destroy all enemies of the salmon that we find, and they are numerous.

The CHAIRMAN. Of course you turn them out of your nursery ponds into the lake.

Mr. MOSER. Yes, sir; into the lake.

The CHAIRMAN. And you do not know that they stay in the lake until they go to salt water?

Mr. MOSER. No; there have been some observations made on that subject, but just how extensive they were I do not know. Dr. Evermann may be able to tell something in regard to that. Do you know of any? Mr. Chamberlain made some observations there.

Dr. Evermann. Mr. Chamberlain made investigations on the Sacramento River and he has made some observations at Naha and on Wood River; practically a year, you may say.

Mr. WICKERSHAM. They remain there?

Dr. EVERMANN. Yes.

Mr. WICKERSHAM. Does not that argue that the fry turned loose at Karluk in that brackish water are not treated as they ought to be treated and will probably die?

Dr. EVERMANN. Well, I would agree with you on the first statement. I do not think that is the best treatment, but I am not in a position to say what the actual result or effect is.

Mr. MOSER. They will not die. At least I do not believe that the slightly brackish water which they get up there will kill them. On one occasion we took one of our smaller ponds at Karluk and put into the pond a great big mass of salt, and the fry got around that salt like flies around a honey barrel. They took to it at once and simply covered it over en masse. They seemed to take to it naturally. I do not know whether that experiment was ever tried anywhere else. Mr. Richardson tried it when he was there.

Mr. WICKERSHAM. I am free to confess that I do not know anything about it.

Mr. DORR. In this connection with the captain's statement regarding enemies of the salmon, I wish to say that I have already drawn, with the idea of suggesting it as a provision to go into this bill, an authority to catch, kill, and ship the Dolly Varden or bull trout by any means and at any time. I want to ask Dr. Evermann if there would be any objection to that.

Dr. EVERMANN. I think not, sir. I think the belief that the so-called salmon trout is very destructive to salmon fry in Alaska is well founded.

Mr. MOSER. They are very destructive. I have seen the trout right under the salmon that were spawning and gobbling up the eggs as they were coming out of the female fish.

The CHAIRMAN. Are the trout pretty plentiful in the Alaskan streams?

Mr. MOSER. They are quite plentiful; coming in with the salmon.

The CHAIRMAN. You want authority to catch in any waters of Alaska——

Mr. DORR. The Dolly Varden trout; not the sportsmen's trout, so-called; but this Dolly Varden, or bull, trout. It is a salt-water fish and follows the salmon, and destroys the young salmon.

Dr. EVERMANN. Might I say just a word, Mr. Chairman. This so-called Dolly Varden trout is perhaps the poorest of all the trout. Nevertheless it is a fish that ought to have in some places considerable food value. It is found all the way from California to the Bering Sea. It reaches a large size in the Columbia River and its tributaries. Up in the Sawtooth Mountains in Idaho we find these trout which weigh 10 to 15 pounds, and in the Missoula River, near Missoula, they have been caught weighing 20 pounds.

In some places this fish is not only regarded as a good food fish but a good game fish, but in Alaska it is so abundant, and in the presence of much better game fish and much better food fish it is not held in high esteem at all. But if we could have an experimental station, a biological experimental station, in Alaska, where investiga-

tion can be made for the purpose of discovering methods of utilizing these at present rejected and apparently valueless products of the sea, I have no doubt that a means of utilizing the Dolly Varden trout, or salmon trout as it is called in Alaska, could be discovered, and it would be made a valuable food product just as at the biological station at Woods Hole and Beaufort, N. C., the Bureau of Fisheries has developed methods of utilizing the small shark known as the dogfish and the little black mussel so abundant along the Atlantic coast, and the squid and various other hitherto entirely useless sea products, and, with the shark, harmful sea animals. We have developed and perfected the preparation of those animals into articles of excellent food, and commercial companies now have gone into the business of manufacturing and putting upon the market these products.

We could do the same, I have no doubt, in Alaska, with the salmon trout, and there are scores and scores of other species of fishes and marine animals there now which are not used at all, the prospect of utilizing which, at some time, is encouraging, to say the least.

Mr. MOSER. The Dolly Varden trout have been canned and have also been salted, but they have never taken in the market.

Mr. DORR. They are now shipping a good many of these salmon trout in cold storage.

Mr. BOWER. I believe it is the steelhead trout that is being utilized. At least I was told by one of the proprietors of the cannery at Ketchikan——

Mr. DORR. They are shipping considerable quantities in the last year or two of Dolly Varden trout—the smaller ones.

Mr. MOSER. We brought from Alaska last year in our cold storage schooner quite a large number of the Dolly Varden trout frozen.

When they arrived in California we were faced with a law which prohibits one from having possession of trout in the close season. In the State of Washington they have overcome this law by classing this trout as char, so they can sell them there, but in California they would not permit it.

I will now continue, Senator.

During the past few years the output of the Skeena has been doubled, and there is no question in our minds that the additional fish are our Naha hatchery fish. The Naha hatchery lake and stream this past year, 1911, was filled to overflowing with sockeyes. The superintendent of the hatchery in a letter under date of November 21, 1911, in commenting on the abundance of fish, states:

The fish (sockeyes) in Heckman (hatchery) Lake were everywhere where there was water enough to float them, and besides the river and fence creek, they came into the flume in droves and into the little ditch leading away from the nursery ponds, and into all the small creeks in the vicinity. The small creek at the head of the lake, where we usually obtain from 3,000,000 to 5,000,000 eggs, this year produced more than 43,000,000 eggs. After we had taken all the eggs to fill the hatchery, 110,000,000, there was not a bit of spawning ground anywhere around the hatchery lake that was not crowded with fish spawning under natural conditions.

He concludes his letter with:

It certainly would appear that the Alaska Packers' Association are to be rewarded for their efforts in salmon culture.

The CHAIRMAN. You have also by destroying these enemies of the fish probably increased the natural survival.

Mr. MOSER. I think we have, and I firmly believe that if given all the natural food they require we will be very much more successful.

For detailed information relating to the history of all the Alaska salmon hatcheries, I would refer to Bureau Fisheries Document No. 751 by a Bureau of Fisheries official, recently issued, pages 174 to 179, and as far as the document refers to the hatchery work of the company I represent, I beg to quote a short paragraph on page 177, as follows:

In 1901 the Alaska Packers' Association erected a hatchery on Heckman Lake, the third of a series of lakes on Naha stream, Revellagigedo Island and about 8 miles from Loring, where the association has a cannery. This is without question the largest and costliest salmon hatchery in the world, having a capacity of 110,000,000 eggs, and the association is entitled to great credit for the public spirit it has shown and the work it has done, entirely without remuneration until 1906, in building and operating not only this hatchery, but also the one at Karluk.

As before said, the Karluk hatchery was built in 1896 and operated to date.

I have been asked to state the number of hatcheries that would, in my opinion, be required to maintain the supply of salmon in Alaska, and beg to submit the following.

You asked me when we first commenced to furnish the number of hatcheries that would be required in Alaska, if I recall it.

The CHAIRMAN. Yes, I think so.

Mr. MOSER. I think possibly I may startle Dr. Evermann in my numbers. For sockeye salmon: Two hatcheries in the Bristol Bay district, having a capacity of 150,000,000 eggs each.

Those are very large hatcheries, but the Bristol Bay region is a very large region. The output is large and there are very few places that could be selected to put a hatchery that would be at all in communication with the outside world.

Mr. WICKERSHAM. Are there any?

Mr. MOSER. Yes, I think there are; Wood River and Lake Iliamna.

Mr. WICKERSHAM. Do you think conditions are such that you could make a hatchery a success on Iliamna Lake?

Mr. MOSER. Yes; I do not see why not. There is an abundance of fish there and plenty of water.

Mr. WICKERSHAM. You have a very short season, though.

Mr. MOSER. Well, yes; you would have to have a lot of men to handle your fish.

Mr. DORR. They spawn there naturally.

Mr. WICKERSHAM. There is no doubt of that, but they can do their spawning a good deal quicker than you can.

Mr. MOSER. Yes; but the results are not up to artificial spawning.

The CHAIRMAN. About how many fish are taken out of Bristol Bay in a year, Captain?

Mr. MOSER. I am trying to think of that. The places are so widely separated, Senator, when you ask me those questions I have to stop a moment and think. I can tell you approximately what the pack is.

The CHAIRMAN. That is what I had in mind—if you know about the pack and can give it approximately.

Mr. MOSER. I have got our own pack.

Mr. DORR. The 1911 figures were put into the record the other day.

Mr. WICKERSHAM. It is a big pack.

Mr. MOSER. Last year was only a half pack.

The CHAIRMAN. I want to get that into the record here in connection with the captain's suggestion that if we had two hatcheries up there of 150,000,000 eggs each it would take care of the situation.

Mr. BOWER. The total catch in western Alaska—this includes primarily the Bering Sea or Bristol Bay district—in 1910 was 12,806,911 salmon of all species.

The CHAIRMAN. That is not cases; that is salmon.

Mr. BOWER. That is what you wanted?

The CHAIRMAN. I supposed you had to get at it by estimating the number of salmon by the number of cases, but as you have the actual number that is so much the better.

Mr. BOWER. It is the actual number of salmon.

The CHAIRMAN. Well, that is less than one-twentieth of what two hatcheries of 150,000,000 eggs capacity would produce.

Mr. MOSER. My idea in connection with the hatcheries, Senator, is if the hatcheries are as successful as I hope they will be, the fish will be so abundant that it will not be a question as to fish but a question of getting rid of the product; and you would have a cheap food.

Mr. WICKERSHAM. That never has been the rule on the salmon streams in the West or in the world, has it, Captain?

Mr. MOSER. Where the fish were so abundant?

Mr. WICKERSHAM. Yes.

Mr. MOSER. Well, I shall refer later to the salmon streams in Siberia. I have a lot of data on them. They are more abundant than on our side and the canneries are able to pack much more cheaply than our people pack.

Mr. WICKERSHAM. Where our people work the salmon streams they have depleted them up to this time.

Mr. MOSER. I would not admit that.

Mr. WICKERSHAM. That is true of the Sacramento River.

Mr. MOSER. The Sacramento River is equal to-day to what it was at any time in its salmon history.

Mr. WICKERSHAM. That is true of the Frazier River and the Karluk River.

Mr. MOSER. I would not admit that.

Dr. EVERMANN. As a matter of fact, the catch of salmon in the Sacramento and Columbia Rivers the last few years has exceeded what it ever was known to be in the early days of salmon fishing in those streams. The natural spawning grounds in the Sacramento River have been practically all ruined through mining and other operations that go along with civilization in the Sacramento River basin. Therefore, whatever catch of salmon is now possible in the Sacramento River is almost certainly due to the artificial propagation of salmon in the Sacramento River, because the natural spawning beds have been reduced to almost nil.

Great changes have taken place in the Columbia River basin, so that the natural spawning beds now are very much less than 20 or 30 years ago. Wherever civilization—settlers—goes in upon a stream or a stream region, then the salmon spawning beds of that region diminish in productivity.

I have had splendid opportunities for noting the effect of even sparse civilization on spawning beds in Idaho, at the headwaters of Salmon River, in what are known as the Sawtooth Lakes, Alturas

Lake, Pettit Lake, and Big Redfish Lake. There were formerly important spawning beds in that section covering many square rods in each of those lakes, and their tributary streams where the Chinook and the sockeye—the blueback, as it is called there—come; but even the little mining operations in that region have seriously changed the condition of those streams, and, still worse, the few settlers who live within reach of that region, and more particularly the tourists or campers who go in there for summer outings, have been shamefully destructive to those spawning salmon.

The CHAIRMAN. In what way?

Dr. EVERMANN. In this way: I can illustrate it best by telling of one particular party. In the summer of 1895, which I spent on the Sawtooth Lakes, a party of campers for a summer outing for a week or 10 days' trip came into that region.

There were perhaps 40 people in that camping party, men and women and their children. I suspect that the salmon which they speared or shot or destroyed would average a dozen or more for each member of that party; and they did it in the most wanton way. They did not want the fish; they were not fit to eat; they did not eat them; but simply in the line of what they imagined to be sport—that spirit of destructiveness and vandalism that goes along with human beings wherever they are—they destroyed fully five or six hundred spawning blueback salmon during the few days that they stopped on the lake, and right at the time when these fish were just beginning to spawn. Well, that was very hard, of course, upon those spawning beds, so that in 1899 relatively few returned to that region; very few blueback salmon were seen there; and the next year or two it was reported to me that none was seen.

These people, of course, did that thoughtlessly, not realizing what it meant, but the dire results followed regardless of what may have been their feeling in the matter; and that is only one illustration. The same thing takes place, I suppose, all over the Columbia River basin.

Mr. MOSER. I was giving the number of hatcheries. I mentioned two hatcheries in Bristol Bay. In addition I would recommend one hatchery at Chignik with a capacity of 100,000,000 eggs; one hatchery on Cook Inlet with a capacity of 100,000,000 eggs; one hatchery at Chilkoot, head of Lynn Canal, with a capacity of 100,000,000 eggs.

For humpback salmon: One hatchery on Prince William Sound, capacity 100,000,000 eggs; three hatcheries in southeastern Alaska, capacity 100,000,000 eggs each.

These hatcheries with the present private hatcheries and two Government hatcheries now operated should be sufficient to keep the supply of salmon in such a condition that the only question would be one of obtaining markets for the product.

The CHAIRMAN. That makes how many altogether, Captain?

Mr. MOSER. Nine.

The CHAIRMAN. Nine additional hatcheries?

Mr. MOSER. Nine additional hatcheries.

The CHAIRMAN. What have you to say as to the suggestion which I think was made by Mr. Bower, that it would be better to have smaller hatcheries than large ones?

Mr. MOSER. Where your units are smaller, I think you can give more attention to them probably and be a little more successful; but

I think in Alaska you want large hatcheries. Where you have plenty of fish you want large hatcheries, and, I think, they can be operated more economically than small hatcheries. Lines of communication have to be kept up; transportation is expensive.

The CHAIRMAN. Have you any suggestion to make in that connection, Mr. Bower?

Mr. BOWER. I want to stand by my original statement that the smaller hatcheries will afford protection to and will insure replenishing and restocking a greater number of streams. It occurs to me that a given body of water will support only so much in the way of fish life, and consequently there is the possible danger of releasing too many fry in a particular water area.

Mr. WICKERSHAM. That would not be true if they spread out and go to other streams, however.

Mr. BOWER. The sockeye remains in fresh water a year. The danger would not be so imminent if the sockeye went to sea immediately after it was hatched.

Mr. WICKERSHAM. Well, now, what do you think about that Karluk hatchery?

Mr. BOWER. My opinion is that the hatchery ought to be at the lake.

Mr. WICKERSHAM. I recur to that question because I have been told by men in whom I have confidence that that hatchery was absolutely of no value.

Mr. BOWER. I made an exploration of Karluk Lake last July and I was surprised to note the enormous number of spawning salmon on the natural beds in and around that lake.

The CHAIRMAN. Why were you surprised? Did you not expect to find them there?

Mr. BOWER. Well, I did not expect to find as many as came to my notice.

The CHAIRMAN. You did not expect that anybody down below kept them from going up there?

Mr. BOWER. There was no evidence of a barricade of the stream below. Ordinarily sockeye salmon spawn in the tributaries of a lake, but Karluk Lake is peculiar in that along nearly one entire side of its length there are practically no tributary streams. The result is that many of the fish are forced to spawn in the lake and about the shores of the lake. Later in the season Mr. Chamberlain visited the lake and he reports that out of 200 female red salmon examined, 197 had spawned entirely clean, showing that the fish were doing well in the lake under the natural conditions existing there.

Mr. DORR. Mr. Rutter told me, after coming out at the time Dr. Evermann referred to, that he made the investigations up there; that he found great, extensive spawning beds well inhabited with fish right around the edge of the lake. Did you confirm that?

Mr. BOWER. Yes; I saw a large number of spawning beds about the edge of the lake.

Mr. MOSER. A great many spawn on the lake shelf on Karluk Lake.

The CHAIRMAN. In some way I get the impression that you do not care to express your real opinion about the efficiency of the Karluk hatchery.

Mr. BOWER. No, sir; I am perfectly free to express it. If you want my full opinion as to the Karluk hatchery it may be obtained from a report that I have made on the subject.

The CHAIRMAN. That is exactly what I want. I want your opinion and I want your real opinion, because that is what we want to be guided by.

Mr. BOWER. My real opinion is that the hatchery ought to be at Karluk Lake.

The CHAIRMAN. Capt. Moser admits that. He says it would be much better up there. What I want to get at is the efficiency of that hatchery down there where it is now.

Mr. BOWER. The greatest objection to the present site of the hatchery is the loss of fish in the corrals there.

Mr. BROWNE. The spawning fish?

Mr. BOWER. The spawning fish in the corrals at the hatchery.

Mr. MOSER. Yes; we admit that.

Mr. BOWER. I could give some figures to back up that view.

Mr. MOSER. I think we are all agreed on that point; that the one serious objection to the hatchery is the waste of spawning fish. A large number of the fish die before the spawning period, before they are ripe.

The CHAIRMAN. My impression is that that is not a very efficient hatchery. Am I right in that or not?

Mr. BOWER. Yes, sir; absolutely right.

Mr. MOSER. Well, that is a matter of opinion, Senator.

The CHAIRMAN. We realize that. It is a matter of opinion.

Mr. MOSER. For instance, it has been said here this evening and it has been said generally that the young of the sockeye remain a year over. In fact I have stated that here myself; but I can get evidence or I am quite sure that I could get evidence to the effect that many go to sea as soon as they are free swimmers.

The CHAIRMAN. I have no doubt but that you can get expert evidence on both sides of the question.

Mr. MOSER. You can. You know, Senator, there is very little known about the movements of the fish in the water.

Mr. DORR. May I ask Mr. Bower a question?

The CHAIRMAN. Yes.

Mr. DORR. I think what these gentlemen want and what we would all like to hear, if you can state from any information you have, is what becomes of the fry after they are liberated? I think that is the real point of efficiency that is involved.

The CHAIRMAN. That is it.

Mr. DORR. Do they live or are they lost?

Mr. WICKERSHAM. At Karluk.

Mr. DORR. At Karluk.

Mr. BOWER. I do not think any observations have been made to prove this point conclusively one way or the other. But the fact that the sockeye naturally spawns in fresh water, and, as Capt. Moser admits, Karluk Lake is the place, it seems reasonable to assume that greater efficiency would result were the hatchery at the lake.

Mr. MOSER. Yes; that is right.

Mr. BOWER. I am not saying the hatchery is not more or less efficient in its present location.

Mr. WICKERSHAM. What do you think of the observation of the man who told me that he had seen those little fish at the Karluk hatchery in windrows dead on the beach?

Mr. BOWER. Possibly dead fish were seen on the Karluk Beach. I have been there several times, but I have never seen anything of the sort. Moreover, I was told by the superintendent of the Alaska Packers' Association cannery for the Karluk region that there was a standing reward for anyone who would or could produce red-salmon fry found on Karluk spit or on the beach in that region, and he stated that no one had yet appeared to claim the reward.

Mr. WICKERSHAM. Do you think that reward would be sufficient to induce anybody to stop there all the time and look for them?

Mr. BOWER. I do not suppose that it would be, but the inference is that they are not to be found at the particular season of the year when the most people are in the region.

Mr. MOSER. I feel certain, however, on this point. If he had seen those dead fish at the time, it would have been a very easy matter to take them up to the superintendent and claim the reward.

Mr. WICKERSHAM. Unfortunately he was not there to claim the reward.

Dr. EVERMANN. Mr. Chairman, I would like to refer to that point again. I can not believe that the fish that the party said he saw could have been salmon. I think the chances are six to one that they were some of those little sand lances or something else.

Now, regarding the remark that Mr. Bower made, that he was surprised to see spawning salmon so abundant in Karluk Lake, I think that can be explained or amplified somewhat by comparing what he saw there with what he or anyone could have seen who had gone to the headwaters of the Fraser River last year.

Fishing is carried on off the mouth of the Fraser River and in the mouth of the Fraser River most assiduously. There are thousands of yards of gill netting and many great traps placed in the north end of Puget Sound. British Columbia last year really cast aside all restrictions which they had formerly placed upon fishing in the mouth of the Fraser River because of the failure on the part of the State of Washington to observe and stand by the agreement which the State of Washington had made with the British Columbia fishermen several years ago. The result has been that on account of the last three or four years' fishing, last year the British Columbia hatcheries at the headwaters of the Fraser River were able to find practically no spawning salmon. At one hatchery I believe they reported seeing only six fish on a bed where thousands upon thousands were seen spawning years ago. This shows that practically all of the fish which were going up the Fraser River last year were caught. They never reached the spawning beds.

Now, fishing is also carried on most assiduously at Karluk Spit, about the mouth of Karluk River, and it has been so carried on there for many years; but in spite of the close fishing that has gone on there, Mr. Bowers found when he examined Karluk Lake an abundance of spawning salmon there. It might well have been supposed that the fish would have been caught out, as they were in the Fraser River last year.

Mr. DORR. They always leave the mouth of the river at Karluk free, do they not, Doctor?

Dr. EVERMANN. I have always so understood; yes, sir.

Mr. WICKERSHAM. But you know that Karluk is not producing the fish it formerly did, Doctor, don't you?

Dr. EVERMANN. Yes, sir.

Mr. WICKERSHAM. To what extent, Doctor, has it been depleted?

Dr. EVERMANN. I think the figures will show a serious depletion.

Mr. WICKERSHAM. Now, to what do you attribute that?

Dr. EVERMANN. The natural inference would seem to be that the amount of fish caught in each of the last several years has been greater than the natural production, plus the results of artificial propagation in that region.

I want to recur again to my statement regarding the fry released from the Karluk hatchery. It is my opinion that they are not as strong and vigorous fry as they would be if the hatchery were located upon the lake; but I want to repeat that that is only an opinion. No investigations have been made to determine what becomes of those fry. But, as I say, I do not believe as large a percentage of them survive to maturity as would survive had they been spawned at the lake.

Mr. WICKERSHAM. Do not you think where the Government allows a rebate such as is allowed there, that the Bureau of Fisheries ought to have something to say with respect to the location of the hatchery?

Dr. EVERMANN. I am free to say that the Bureau of Fisheries has recommended to the Alaska packers, has already suggested to them, the desirability of changing the location.

Now, another point regarding large hatcheries versus small hatcheries. I quite agree with Capt. Moser that the number of hatcheries with the capacities which he states would not be too large for Alaska. It is not enough. I believe, though, that the same total capacity distributed among a larger number of hatcheries would be better. The reason for that, to my mind, is this: If you have a hatchery with 100,000,000 capacity in most of these places which Capt. Moser has mentioned you will probably have to get the spawning fish for that hatchery from more than one stream, just as we do at Yess Bay now to some extent, and as will have to be done at these other places.

The CHAIRMAN. That is, you think that with the regulations that may now be put in force with reference to fishing at the mouth of the stream there still would not be enough fish to go up?

Dr. EVERMANN. Of the 100,000,000 fry produced at a hatchery, I think that most of them would almost of necessity have to be planted in that particular stream. You could not distribute them very well to additional streams for the reason that it is practically impossible to take the fry to the mouth of a stream, or 10 miles or 12 miles away, and carry them up that stream far enough where they could be liberated with perfect safety. The facilities for getting up streams in that country are not good and the fish would have to be planted down near the mouths, and that would not be the best place to plant them. Therefore, my idea would be to have numerous small hatcheries in addition to as many large hatcheries as can be properly located.

Mr. DORR. I would like to ask the Doctor, in that connection, if there is any physical objection or obstacle in transporting eggs to different places after they are impregnated?

Dr. EVERMANN. To take them to different places after they are eyed?

Mr. DORR. Yes.

Dr. EVERMANN. There are no physical or fish-cultural objections which would prohibit doing that.

Mr. DORR. That would be practicable?

Mr. MOSER. The trouble in having so large a number of small hatcheries in Alaska is the difficulty in obtaining proper locations for them and the large expense in transportation in having the smaller units.

Mr. WICKERSHAM. What do you think, Dr. Evermann, about the proposition of putting hatcheries on Wood River and Iliamna Lake? Do you think that would be successful?

Dr. EVERMANN. The bureau has made rather extended investigations on Wood River, with the material cooperation of the canning interests there—the two great companies, the Alaska Packers' Association and the Alaska-Portland Packers' Association? Lake Aleknagik, at the head of Wood River, is well suited to that purpose. There is no doubt in my mind that a very satisfactory hatchery could be located and operated there. I know nothing about Lake Iliamna, but I certainly hope that a large hatchery may be located on Wood River. Representative Kahn, of California, has introduced a bill in the House for a hatchery in the Nushagak region, which means, of course, on Wood River or the lakes at its head, and to my mind that is now the most urgent question in fish culture in Alaska.

Mr. MOSER. Yes; by all means we should have a hatchery there. I was going to say the first new Government hatchery should be located in the Bristol Bay district in the vicinity of Wood River, the second at Chignik, the third on Cook Inlet, the fourth on the Chilkoot, and the fifth on the Kvichak that is on Lake Iliamna.

Mr. BOWER. There is one point to which I might invite attention. Mention has been made of moving the Karluk hatchery to the lake, and Capt. Moser has spoken of the great physical difficulties in the way of getting it there. It seems to me that with the sum which he said was available, \$75,000, it would be possible to build a very substantial hatchery on Karluk Lake. Last summer I looked the ground over very carefully between the head of Larsen Bay and the foot of Karluk Lake. From navigable water to the lake, a distance of 7 miles, the country is open and flat. Near the head of the bay there is one low ridge about 200 feet high, and from there it is plain and straight sailing to the foot of the lake.

Mr. MOSER. Yes; it is an absolutely straight course there, but it is tundra. I know in walking across there that it is the worst walk I ever had in my life.

Mr. WICKERSHAM. Why could you not take everything in in the wintertime when it is frozen?

Mr. MOSER. It is a difficult matter. Our supplies are all brought up there in the summer.

Mr. WICKERSHAM. I mean your timber and things of that kind.

Mr. MOSER. What I had in view probably the first thing was to locate a portable sawmill to cut our material, piling, and so on, for the work. I did think possibly we could skirt the hills, and get hard and fast ground. We have that in view.

Mr. BOWER. Yes; by going a little farther firmer ground will be available.

Mr. MOSER. It is the opinion of some of the cannery interests in Alaska that all hatchery work should be conducted by the Federal

Government and it has been said by one company operating in Alaska that the private hatcheries are placed near the home streams of the operating company and that company receives all the benefits besides the rebate. I think the fishery experts of the Government bureau will confirm my views when I say that a hatchery will benefit a very large district and not alone the home stream. We believe that our hatchery at Karluk has raised the capacity of a stream 100 miles distant, on which the complaining company has a cannery, from a 50,000-case stream to a 140,000-case stream. We have reason to believe that the radius of influence for increase of production due to hatcheries may extend over more than 1,000 miles.

There has been a marked increase in the sockeye catch of northern British Columbia, which we firmly believe is due to the work of our Fortmann hatchery; indeed the marked fish from this hatchery were returned in larger numbers at the Government hatchery at Yes Bay than to the hatchery of origin and some of those marked fish were taken at our Karluk hatchery about 1,000 miles distant. We know that private hatcheries, honestly conducted, as ours are, can produce results at least equal to those of the Government for less money, the latter for the reason that the general management requires no increase in personnel; the equipment, stores, etc., are purchased in large quantities with the canning supplies, while we have our own transportation. If the Government was to take over our hatcheries, they would have to come to us for transportation, or else provide their own transport at great expense.

That finishes my hatcheries. I am afraid that I am not making very great progress this evening.

The CHAIRMAN. I think you have covered a good deal of ground, Captain.

Mr. MOSER. Now, I want to refer to section 3, lines 24 and 25, page 5. Line 1, page 6, contains the following relating to fish traps, "or within 600 yards of the mouth of any salmon stream less than 500 feet in width."

This seems to be repeated in section 5, line 24, page 9, and lines 1 and 2, page 10, also referring to fish traps, where it states "within 600 yards outside the mouth of any salmon stream where the same is less than 500 feet in width."

Should not these two sections, both referring to restricted areas, be combined in one section instead of being separated by a long intervening section, which does not relate directly to either?

It seems to be repeated there. It seems to me those two sections should be consolidated. Sections 3 and 5 relate to a restricted area and are now separated by a long intervening section.

I would suggest also in the above wording to retain the old law—"red-salmon streams" in place of "any salmon streams."

We concede the 600 yards instead of 500 yards, which was the old law.

The CHAIRMAN. Why do you oppose cutting out the word "red"?

Mr. MOSER. We would leave the red-salmon stream in, in place of any salmon stream, for the reason that there are a great many smaller streams which run the humpback salmon which we do not think necessary to restrict at the present time.

The CHAIRMAN. Would you have any objection to leaving that discretionary with the Secretary of Commerce and Labor?

Mr. MOSER. No; I think that might be left to him.

The CHAIRMAN. You think it advisable?

Mr. MOSER. Yes; I think that might be left to him.

Mr. WEBB. In accordance with the old law.

Mr. MOSER. Yes; in accordance with the old law.

Section 4, line 23, page 7, "failure for the period of more than one fishing season to construct and operate such a device." That is a fish trap. I would suggest that that be made two years, so as to read, "failure for the period of more than two years."

The CHAIRMAN. Would you say two years or two fishing seasons?

Mr. MOSER. I would say two years.

The CHAIRMAN. Why two years instead of two fishing seasons?

Mr. MOSER. Well, two years I think is very convenient from the time the license is issued. I think it is a very distinct term. We have four years on the Sound within which to construct our traps.

I would also suggest a change on the next page, line 6.

Mr. BROWNE. Before you get to that, Captain, you mean that the failure for one year, through act of God or otherwise, destruction by fire, or other accident, would destroy the right, whereas in two years you would be afforded a chance to recoup and replace your property.

Mr. MOSER. I think it would be rather hard to be obliged to abandon your site if you failed to fish it one year. I think that two years would give the occupant a better use of his position.

The CHAIRMAN. Of course, that section there does not make that exclusive. It says that "it shall be prima facie evidence of the lack of such bona fide intention," etc.

I suppose the Secretary would use reasonable discretion and judgment in applying that section to the facts as they might be.

Mr. WICKERSHAM. Right there, Mr. Chairman, I would like to ask Mr. Dorr what sort of a title he understands that fisherman would get if this bill was passed as it is now proposed.

Mr. DORR. Nothing but a possessory title or an easement that would expire by operation of law whenever it was abandoned by failure to use it.

Mr. WICKERSHAM. But until that failure——

Mr. DORR. He would have a right to renew the license. It is an annual license scheme, renewable year by year on paying \$100 license fee. One has the right to renew the license, but the provision goes further and requires him to actually use it.

Mr. WICKERSHAM. You would not understand that the Government was bound to give him that location from year to year, would you?

Mr. DORR. I understand it binds the Government to give him the use of the location so long as he complies with the law.

Mr. WICKERSHAM. But suppose we want to change the law.

Mr. DORR. Well, you always have that right.

Mr. WICKERSHAM. Well, now you understand that it could be done; that the law could be changed and your rights terminated.

Mr. DORR. The right would terminate at the expiration of the annual license period if the law was changed.

Mr. WICKERSHAM. And you understand that could be done by the Government without damages being claimed on the part of the fishermen?

Mr. DORR. I understand the power of the Government is plenary in regard to these fishes in territorial waters the same as the State authority is plenary in the States. They can abolish fishing altogether or regulate it as the legislative powers see fit.

The CHAIRMAN. In other words, this simply gives you a possessory right as long as you comply with the law and until the law is changed?

Mr. DORR. Exactly. So long as you comply with this law.

Mr. MOSER. That is all; I do not see how it could give any other right.

Mr. DORR. There is no vested right. There can not be.

Mr. WICKERSHAM. There can not be a vested right. That is what I wanted to get at.

Mr. DORR. There can not be, because that would deprive the Government of the right to regulate the fisheries.

Mr. WICKERSHAM. Of course, you understand the fisheries of Alaska belong to the future State of Alaska?

Mr. DORR. Yes, I do; and I understand the Government has no right to grant away the tidelands or the waters or the fisheries.

Mr. WICKERSHAM. Or the fisheries.

Mr. DORR. Yes.

Mr. WICKERSHAM. I wanted that to appear in the record.

Mr. DORR. That is my understanding of the law.

Mr. WICKERSHAM. I may produce that record against you some day.

Mr. DORR. I will never oppose that theory.

Mr. WICKERSHAM. There are gentlemen in this room who will live to see Alaska a State. I do not know which of us will.

Mr. DORR. I do not know whether I said the fisheries belonged to the State. If I did, I did not mean that, technically speaking. They belong to the people of the State.

Mr. WICKERSHAM. The State is constituted of the people.

Mr. DORR. Yes, it is. They belong to the people themselves.

Mr. WICKERSHAM. In Alaska.

Mr. DORR. In an organized State, and in Alaska they belong to the people of the United States, and are held in trust by the Government for the future State.

Mr. MOSER. In section 6, the close season, I would suggest, retain the old wording "Cook Inlet and the Delta of Copper River," and not have a close season for those two places.

In the Copper River district there is only one cannery, and on that river they can not possibly be fishing in all of the delta at the same time. There is always a chance for the fish to go through and I do not believe it is necessary to have a weekly close season there.

The same would seem to apply in Cook Inlet. If there is any place in Alaska where I think the fish have a chance to get through under the very best of conditions it is in Cook Inlet. It is a wide inlet with a very strong tide, with a rise and fall at the head of the inlet of about 40 feet, and fishermen are very chary about getting out there in the tide. The center of that inlet is usually open, so far as nets are concerned.

The CHAIRMAN. How wide is it?

Mr. MOSER. It is funnel shaped, and that is why there is such a great rise and fall of the tide. When the tidal wave comes in it is narrowed up, and as it narrows it grows higher and higher. At our

cannery at Kasilif, about half way up the inlet—I am guessing now—it is about 10 or 11 miles across.

Mr. BOWER. I think it is considerably wider than that. I should say opposite Kasilof it is nearer 20 miles.

Mr. WICKERSHAM. But is not this true: Is not there a big bar in the middle, and is not it true that the fish go right up along shore?

Mr. MOSER. There is an island—Kalgin Island—which is in the center of the inlet opposite Kasilof.

Mr. WICKERSHAM. Yes; but is not there a widespread portion of the water in there that is very shallow so as to drive the fish over to the shore where your cannery is?

Mr. MOSER. No; on the contrary just where our cannery is there is quite a bank off there.

Mr. WICKERSHAM. What I was trying to get at was whether or not the contour of the bay there is such as would drive the fish along shore?

Mr. MOSER. No, I think not. I think that the fish have a freer movement in Cook Inlet than any other place I know of in Alaska.

Mr. BOWER. It is necessary for the ships to anchor at least 5 or 6 miles offshore in order to get sufficient water.

Mr. WICKERSHAM. That is the same place?

Mr. BOWER. That is opposite the Kasilof cannery.

Mr. WICKERSHAM. Yes; that may be; but you will find altogether——

Mr. MOSER. You will find plenty of channel width there, Judge. Here it is [pointing to map], 25 miles down here across. I was referring to this point at Kalgin Island opposite Kasilof. It is about 12 miles from here to here.

Mr. WICKERSHAM. It is Kalgin Island flat?

Mr. MOSER. Well, take the shallow water, Judge, of course this is only guesswork; it is 13 miles through there.

The CHAIRMAN. Now, these figures are fathoms, are they not [referring to map]?

Mr. MOSER. Those are fathoms.

The CHAIRMAN. It shows here depths of 10, 25, 5, 18, and 10 fathoms.

Mr. WICKERSHAM. It is not a deep water.

Mr. MOSER. There is deep water here, Judge [indicating].

Mr. WICKERSHAM. It is in spots.

Mr. MOSER. Look here. Take a section across here, 10, 22, 33, 12, 5 fathoms.

The CHAIRMAN. I take it that indicates a shallow place.

Mr. MOSER. That is a fathom and a half.

The CHAIRMAN. Is not that feet?

Mr. MOSER. No; it is all in fathoms.

Mr. WICKERSHAM. There is a limit inside of which it is shown in feet.

Mr. MOSER. No; all soundings are in fathoms. If there were any soundings in feet they would be indicated by a note "Soundings within dotted surface in feet." That spot comes out at low water. This is all very near here one-half fathom, one-quarter fathom, two fathoms.

A great deal of ice comes down the inlet and there are a great many bowlders carried by the ice. The bowlders in here change very

materially. When the cannery vessels go up in the spring they find at times new boulders which have been carried down by the ice.

The CHAIRMAN. This chart would indicate that there is a channel from 5 to 20 fathoms deep and 8 or 10 miles wide clear up to the branching of Knik Arm and Turnagain Arm.

Mr. MOSER. Yes.

The CHAIRMAN. Five being about the shallowest and only in a few instances.

Mr. MOSER. It is 23 fathoms in here, you see. These soundings are all reduced to the mean low-water mark.

The CHAIRMAN. That indicates a rather deep channel.

Mr. MOSER. That is the place, you know, where Cook sailed up when he was looking for the northwest passage. He thought he had it there.

I come now to section 7. This section of the proposed law places in the hands of the Secretary of Commerce and Labor the power to not only close any salmon stream, but a whole fishing district. There is no limit to the distance from the mouth of the stream which he may not close, and no limit to the number of days in establishing a weekly close season. This is a power which Congress has always guarded against placing in the hands of a department, and justly so. It is a power which, if exercised, can put any operating company out of business, and should not be permitted.

The law now in force permits closing streams under the same conditions as proposed, but limits the distance from the mouth to 500 yards, which, in my opinion, is quite sufficient.

The general idea of fishing experts is that a stream overfished must be closed against fishing to permit it to recuperate. The theory seems correct, but there appear to be so many varying conditions unsolved that in practice the theory falls. There are streams in Alaska that were tightly barricaded for years, and yet they annually produced their quota of fish, and have actually increased in productiveness.

At Chignik there were double barricades in the early days. The lower one was arranged to permit fish to enter and then be held between the two barricades, where they were simply dipped out by the three operating canneries, who divided the fish. During that time, by taking practically all the fish that came, they were able to pack about 50,000 cases—the three canneries.

Mr. WICKERSHAM. For the three canneries?

Mr. MOSER. Yes; for the three canneries.

After barricading was stopped the stream not only maintained its full capacity, but has vastly increased in productiveness in recent years, as no difficulty was obtained in making a pack of 140,000 cases. In other words, a stream that produced only 50,000 cases under the severest barricading, later without closing produced 140,000 cases without any difficulty. If this stream had been closed this enormous number of fish would have been wasted.

Chenega Stream, in Prince William Sound, was tightly closed by a zapor or dam for 10 years yet each year it produced its quota of fish. The dam was opened usually in the latter part of the season to permit the later fish to pass up.

Now, I am merely mentioning these cases to show the vagaries of the streams. Afognak has been closed to fishing since 1892, yet does

not produce sufficient fish to supply the Government hatchery, and they must cross the mountain to obtain eggs from Molina, a stream tightly barricaded for many years.

The CHAIRMAN. Were there many fish there before it was closed?

Mr. MOSER. As far as we know there were. Two canneries were built at Afognak. They did not get all their fish from the stream.

Mr. DORR. This closing is not a physical barricade. It is a reservation.

Mr. MOSER. That is a Government reservation.

The CHAIRMAN. Do you indicate that there were fish there before and not fish there since? The fish have gone away themselves?

Mr. MOSER. They should increase and multiply under natural conditions.

The CHAIRMAN. Instead of that they have lessened in numbers.

Mr. MOSER. Now, I would like to say a few words in reference to that subject. I meant to do so in talking about Karluk. There may be a number of other features entering the problem of determining why a stream may lose in productiveness. For instance, take a spawning bed where there is no great depth of water. That water may freeze down to the bottom during a severe winter and freeze all the eggs and an egg once frozen is a dead egg.

That may occur in Alaska. I will not say frequently, but it may not be infrequent. I have also seen shoals inside of the mouths of streams in Alaska over which at high water salmon have spawned, which at low water were uncovered, thereby exposing the eggs and causing their destruction. The spawning beds may also be uncovered in a lake or river system by falling waters due to long period of drought. In fact, I recall an instance now at Red Fish Bay where some silver salmon eggs were uncovered by the falling waters on the lake shelf. I simply mention these features as being natural causes for a failure in one or more seasons.

The CHAIRMAN. Have the fish been scarcer in Afognak ever since this reserve was created?

Mr. MOSER. I do not know how much fishing has been done there. There has been no commercial fishing of any kind that I know of. I know last year, or it may be the year before, when the Bureau of Fisheries, according to the report, did not have fish enough there to fill their hatchery and they had to go across the mountain to the headwaters of another stream that I know for years was barricaded.

Mr. WICKERSHAM. And carry them over in buckets.

Mr. MOSER. Is that correct, Doctor?

Dr. EVERMANN. That is right.

Mr. WICKERSHAM. What is the good of that hatchery?

Dr. EVERMANN. Judge Wickersham, the hatchery has only recently been put in operation. It has been in operation only three years.

Referring now to the original closing of Afognak stream, in 1892, I believe it was. The closing of the Afognak region indefinitely would serve no useful purpose, because the salmon spawn only once and then die. If fishing be prohibited for a period of 25 years there would not be any more fish in that region at the end of 25 years than there were at the end of 4 or 5 years.

Mr. WICKERSHAM. Why not, Doctor?

Dr. EVERMANN. Because they all die after they spawn once.

The CHAIRMAN. If more spawn one year than during the preceding year they will furnish more to spawn for the next year, will they not?

Dr. EVERMANN. Yes; but very soon a stream under normal conditions will reach its maximum number.

The CHAIRMAN. These streams have been going down since you established the reserve, have they not?

Dr. EVERMANN. We do not know very much about that. As Capt. Moser said, there has been very little commercial fishing in the Afognak region since the reserve was established.

The CHAIRMAN. Can you not tell at the hatchery whether there are more fish coming up, more than usual, or fewer fish?

Dr. EVERMANN. They can make comparisons extending over the three years they have been there only, and they have done that every year, but it is too soon for any of the output of that hatchery to come back.

The CHAIRMAN. I have not in mind now the increase from the hatchery, but the natural increase. Have you reports showing the natural increase?

Dr. EVERMANN. I think that last year was really a shorter year than the year before, so far as the number of eggs that they took is concerned; but, as Capt. Moser said, this question is not a simple problem, by any means. There are many factors that enter into it. We know some of them; we do not know all of them.

Suppose something should happen which would result in the killing of all of the eggs that were spawned in a salmon stream in a certain year. Then, on the theory that the sockeye salmon comes back to spawn in the fourth year, the fourth year following that cataclysm would be a very lean year in that stream. It might be so lean as to have absolutely none at all.

Mr. WICKERSHAM. You would have no eggs, then?

Dr. EVERMANN. No; not any. Now, suppose some unusual accident like that should repeat itself for a period of four years. Then that stream as a salmon stream would be practically wiped out of existence.

Mr. WICKERSHAM. Was the Afognak a good salmon stream formerly?

Dr. EVERMANN. I do not recall just what the figures will show, but it was a salmon stream and there were two small canneries within the present reservation. It could not have been a large salmon stream like Karluk or Wood River; but it was a salmon stream in which a considerable number of salmon went, and Dr. Bean and Livingston Stone, who visited it in 1889, suggested that it would be a good place for a salmon hatchery.

The CHAIRMAN. On what theory was this reservation made?

Dr. EVERMANN. That was before my time, so I can speak only in general terms. The general impression is that the recommendation was made on the supposition or with the hope that sooner or later the Federal Government would begin the establishment of salmon hatcheries in Alaska, and it was thought that Afognak stream would be a good stream for that purpose. These gentlemen were there at the time of the run of the red salmon, when the fish gather below the falls in considerable numbers, and believed quite a large number of salmon could be gotten there. I was there myself in 1903.

The CHAIRMAN. I think that reservation was made for the purpose of preserving the supply of fish until the hatchery was located.

Dr. EVERMANN. Yes; the possibility of wiping out the stream was considerable.

The CHAIRMAN. When they located the hatchery there and since they located it, has there been an increase in the supply of fish?

Dr. EVERMANN. There has not been a great supply of fish; not equal to the capacity of the hatchery.

The CHAIRMAN. What is the capacity of the hatchery?

Mr. BOWER. Seventy-two million.

The CHAIRMAN. That would take about 24,000 fish, counting 3,000 eggs to the fish?

Dr. EVERMANN. Yes.

Mr. BOWER. If there were that many female salmon.

Mr. WICKERSHAM. When you blow the whistle the boat stops. You have to have steam enough to blow the whistle.

Dr. EVERMANN. The Afognak stream is a small stream but a relatively large number of salmon go into that stream; but apparently not as many as can be utilized in the hatcheries. Now they have tried going across the divide to the Molina stream and getting some eggs from it. That has been tried one season. Whether it is practical or not is a question. We hope it will be. At any rate the hatching of salmon in the Afognak stream will probably benefit not only the Afognak stream but numerous other near-by streams just as the hatching of salmon at Karluk has probably benefited a number of near-by streams.

Mr. MOSER. The stream I may say at Afognak was heavily barricaded for a great many years by the Russians. I pulled out two of the piers of that zapor—the dam—myself. The last one I pulled out was in 1901, a very heavy cribbed work filled with rock. The natives kept barricading the stream until a late date and got all their fish that way. There were two small canneries there.

The CHAIRMAN. How much did they can?

Mr. MOSER. I tried to get some information on that stream a number of years ago, but I could get no reliable data because the canneries did not keep any record of their fishing in the surrounding district. While they got some fish from the home stream, they fished the entire district just the same as we did at Karluk. The pack was not all from the Karluk fish. We fished the surrounding country, but we found by experience that it did not pay us to run 40 or 50 miles for a few thousand fish, and we are not doing that at the present time. We do not keep up the equipment for it.

Mr. BOWER. The pack was small, I believe, at those canneries. I do not think they packed more than an average of 20,000 cases. However, it is a matter of record.

The CHAIRMAN. That is 20,000 cases each per year?

Mr. BOWER. Yes; per season pack.

Mr. DORR. Do you mean per cannery?

Mr. BOWER. Per cannery. That is my recollection; but the exact figures can be obtained easily.

The CHAIRMAN. I want to get some idea of it to see how many fish were in there.

Mr. MOSER. In 1889 one packed 25,000 cases, the other packed 16,000 cases. In 1890 one packed 26,000 cases, the other 10,000 cases.

The CHAIRMAN. That would be 36,000 cases?

Mr. MOSER. Yes.

The CHAIRMAN. That gives you just about what they packed then, Captain.

Mr. MOSER. In 1891 the combined pack was 25,000 cases from the two canneries.

The CHAIRMAN. Now, are you close to a good stopping place?

Mr. MOSER. Yes; I am at a very good one. I am just starting on conservation.

Mr. DORR. I would like to suggest, Mr. Chairman, the propriety of the chairman of the committee calling upon the Attorney General, who I think has charge of the collection of taxes in Alaska by virtue of its being under the jurisdiction of the Department of Justice, for a statement covering four or five years, if available, of all the license taxes collected in Alaska.

Mr. WICKERSHAM. And rebates.

Mr. DORR. Those are included—the rebates—both fisheries and other taxes. I would like the complete statement.

Mr. WICKERSHAM. Do you mean what is included in the whole Alaska fund?

Mr. DORR. Yes; I would like to get, if available, a statement for the last four or five years of all the taxes that have been collected in the district.

Mr. WEBB. Would not the report of the governor show that?

Mr. WICKERSHAM. Practically. I have a complete statement of that.

Mr. DORR. Have you that made up, Judge?

Mr. WICKERSHAM. I have the official statement made up.

Mr. DORR. Of the whole thing?

Mr. WICKERSHAM. Of the Alaska fund.

Mr. DORR. Well; does that include the license fees that were collected within the municipalities?

Mr. WICKERSHAM. No, it does not.

The CHAIRMAN. The Attorney General would not have that, would he?

Mr. DORR. Yes, I think he would.

Mr. WICKERSHAM. No, he would not. You could get that out of the governor's report.

Mr. DORR. He would have that part collected through licenses, would he not? I do not mean the part collected by the towns themselves—their municipal taxes, but rather all license fees that are collected under the act of Congress, by the General Government.

Mr. WICKERSHAM. He would have all the license fund.

The CHAIRMAN. I will write to the Attorney General for all the taxes in Alaska during the last five years. Is that satisfactory, Mr. Dorr?

Mr. DORR. Yes, I think that will be valuable information for us when we recur to this tax section.

The CHAIRMAN. I will let you know when I can arrange for another hearing.

Thereupon, at 10 o'clock p. m., the committee adjourned, subject to the call of the Chair.

THURSDAY, MAY 23, 1912.

COMMITTEE ON FISHERIES,
UNITED STATES SENATE,
Washington, D. C.

The subcommittee met at 10 o'clock a. m.

Present: Senator Jones (chairman).

Also appeared: Hon. James Wickersham, Delegate in Congress from Alaska; also Mr. Barton W. Evermann, Chief Division of Alaska Fisheries, Bureau of Fisheries; and Mr. Ward T. Bower, assistant agent, Alaska salmon fisheries; also Messrs. John Sidney Webb, Aldis B. Browne, Charles W. Dorr, J. F. Moser, and James Madison.

STATEMENT OF MR. JEFFERSON F. MOSER—Resumed.

Mr. MOSER. I was on section 7, I think it was, of the bill.

The CHAIRMAN. You said you were just ready to start on conservation.

Mr. MOSER. Yes; I was going to take that up in connection with section 7, the section regulating stream closing.

A great deal has been said on the subject of conservation of the resources of Alaska, and as far as the conservation of the salmon fisheries is concerned the extreme radical method of closing streams and whole districts has been referred to. I can only say that I do not believe this method is necessary, and desire only to add and refer as my proof to the Columbia and Sacramento Rivers which have never been closed and which by judicious fish culture are to-day maintained at the highest standard.

In this connection I might suggest to those in favor of closing streams the consideration of a preliminary measure; that is the closing for commercial fishing of all streams not now fished and opening them only by order of the Secretary of Commerce and Labor, after proper representations have been made. This would injure no one.

There are quite a number of salmon streams in Alaska to-day that are not fished and which could be closed under this suggestion.

Restricting the number of operating canneries is undoubtedly one of the very best adjuncts toward conservation, and I can not too strongly urge the adoption of the recommendation of Gov. Clark in his hearing before the committee, and as set forth in his report for 1911, pages 12 and 13, in which he recommends that the following measure approved by the Secretary of Commerce and Labor be enacted:

That it shall be unlawful to erect, maintain, or operate in Alaska any new establishment for canning or otherwise preserving for commercial use any salmon or other fish or fishery product, or to increase the capacity of any such existing establishment, or to reopen and operate any such establishment which has remained closed for the period of three years immediately preceding the passage of this act, without first obtaining the approval in writing of the Secretary of Commerce and Labor: *Provided, however,* That in the case of salmon packing establishments, approval shall be withheld only when in his judgment the fishing operations and investigations in the region adjacent to the proposed location indicate that the number of salmon taken is larger than the productive increase of salmon from adjacent spawning grounds: *And provided further,* That in case approval is withheld the applicant interested shall upon demand be given a hearing, of which he shall be notified at least 30 days previously.

I may say in this connection that this is not a new suggestion. In April, 1898, the Secretary of the Treasury, in a letter to the House of Representatives, suggested certain amendments to the law, which included:

The prohibition of the erection of salmon canneries in Alaska without a permit from the Secretary of the Treasury.

Mr. WICKERSHAM. The effect of that would be, Mr. Moser, to restrict any new cannery from going in—to prevent any new cannery from going in.

Mr. MOSER. Yes; without permission of the Secretary of Commerce and Labor.

Mr. WICKERSHAM. And that would be based upon representations made to him by persons engaged in the fishing business in Alaska. That is what the law says.

Mr. MOSER. The law does not say “the fishing interests.”

Mr. WICKERSHAM. I mean the proposed amendment.

Mr. MOSER. The proposed amendment simply restricts the number of canneries to the number operated there now.

Mr. WICKERSHAM. Let me ask you how many of those do you own now?

Mr. MOSER. Of the whole number up there?

Mr. WICKERSHAM. Yes.

Mr. MOSER. We have owned altogether 44.

Mr. WICKERSHAM. In Alaska?

Mr. MOSER. Yes, sir; in Alaska.

Mr. WICKERSHAM. How many do you own now?

Mr. MOSER. We are operating 14.

Mr. WICKERSHAM. And the 44 you gathered together by buying up separate companies. In other words, you formed a trust by buying up 44 canneries and closing all but 14 of them. You put the other 30 out of business.

Mr. MOSER. No; I would not acknowledge that a trust was formed. The salmon business was found not to be profitable under conditions existing at that time, and for the purpose of making it more profitable and for the purpose of combining the operations this association was formed and bought outright these other canneries.

Mr. WICKERSHAM. And then closed all of them down but 14?

Mr. MOSER. No.

Mr. WICKERSHAM. There are only 14 now working whereas there were 44?

Mr. MOSER. That is over a period of 19 years.

Mr. WICKERSHAM. I understand that.

Mr. MOSER. Many of the locations were established when the country was comparatively unknown and they did not know what the conditions were. Many of those canneries were found not to be a paying quantity at all and so they were abandoned.

Mr. WICKERSHAM. Now, let us take the Northwestern Fisheries Co. How many canneries did they buy up and put into their scheme at the beginning?

Mr. MOSER. That I could not tell you.

Mr. WICKERSHAM. Do you know how many canneries they are operating now?

Mr. WEBB. That was in that article I put in the record the other day.

Mr. MOSER. Nine.

Mr. WICKERSHAM. Nine what?

Mr. MOSER. Nine canneries.

Mr. WICKERSHAM. What about it now?

Mr. MOSER. You asked me how many canneries the Northwestern Fishing Co. was operating. According to their list I say nine.

Mr. WICKERSHAM. Do you know how many they originally bought and put into that combination?

Mr. MOSER. No, I do not; but not many more.

Mr. WICKERSHAM. Was it not 17?

Mr. MOSER. I think not, although I am not sure, but I think not.

Mr. WICKERSHAM. Now, the effect of this proposed amendment you have suggested here would be to give those canneries doing business in Alaska now a monopoly of the fishing business. That is what you want it for, is it not?

Mr. MOSER. No; it is not what we want it for.

Mr. WICKERSHAM. That would be the effect of it.

Mr. MOSER. It might be the effect of it; but the canneries could not increase their present product nor could we, under this amendment, take up any of the stations which we formerly held and some of which we still hold and put canneries there for the reason that a cannery which has not been operated for three years can not be opened. For instance, at Pyramid Harbor we have a plant and at Mushagak we have two canneries, all laid up but ready to operate if we so desired, yet under the proposed amendment they could not be opened again.

Mr. WICKERSHAM. Why not?

Mr. MOSER. Because they have been closed three years.

Mr. WICKERSHAM. They could be opened with the consent of the Secretary.

Mr. MOSER. So could any cannery. So could you go in there and open a cannery with the consent of the Secretary.

Mr. WICKERSHAM. That is, if he was convinced it was not going to take away fish from your cannery, which was already operating on the stream.

Mr. MOSER. Not at all. We could not reopen any of those old canneries closed for a period of three years any more than you could open up a new cannery.

Mr. WICKERSHAM. But you could if you had the consent of the Secretary.

Mr. MOSER. So could you.

Mr. WICKERSHAM. Do you suppose I could go in there and open a new cannery in opposition to you when you were already running?

Mr. MOSER. I do not see why you could not if you had the location.

Mr. WICKERSHAM. Do you understand that the Secretary would probably give you the advantage? You have your cannery already built and ready to run.

Mr. MOSER. No; I think not.

Mr. WICKERSHAM. I only wanted to direct the committee's attention to the fact that the proposed amendment would give these people a complete monopoly and the exclusive right to fish.

The CHAIRMAN. Why were the canneries at Pyramid Harbor shut down?

Mr. MOSER. We found at Pyramid Harbor that the bulk of the fish were taken from a locality about 90 miles distant, and in carrying our fish for that distance we found it did not pay. It became necessary for us either to move the cannery nearer the fishing locality or close the cannery.

The CHAIRMAN. Had that been the case from the establishment of the cannery?

Mr. MOSER. No. When the cannery was established, the fishing took place within 25 or 30 miles. That is, the fish coming in through Icy Strait went through Lynn Canal to a position very much nearer the cannery than they do now. The fisheries have moved farther south.

The CHAIRMAN. The fish supply close to the cannery apparently disappeared?

Mr. MOSER. Let me explain the situation. In the early days traps were not used there. Later it was discovered that traps could be operated in Icy Strait, and the bulk of the fish are now taken there before they arrive near the cannery, so that the fishing operations are carried on now, and have been for several years, 90 mile away.

The CHAIRMAN. The supply of fish within 50 miles of this cannery has diminished?

Mr. MOSER. No, Senator.

The CHAIRMAN. You have not caught them there.

Mr. MOSER. They are taken before they arrive.

The CHAIRMAN. So that the supply, as far as 50 miles is concerned, has diminished. That is what I was saying. I did not mean that they were not there.

Mr. MOSER. Where we had formerly one cannery operating, there are now some four or five successfully operating.

Mr. WICKERSHAM. Where?

Mr. MOSER. In Icy Strait.

The CHAIRMAN. And not in Pyramid Harbor?

Mr. MOSER. No; not in Pyramid Harbor.

Mr. WICKERSHAM. But very many more than that have been closed down farther in the interior that belonged to you?

Mr. MOSER. Oh, in entirely different sections.

Mr. WICKERSHAM. The section reached by the fish going through Icy Strait.

Mr. MOSER. No; we operated but one cannery in Pyramid Harbor. We bought three in Pyramid Harbor originally, and closed down two and operated but one. When we acquired canneries in a given district close together we found it much more economical to operate the one plant and enlarge it than to operate, for example, three separate plants. However, the plant at Pyramid Harbor never was enlarged. It is the same cannery originally purchased.

The CHAIRMAN. What is the largest number of canneries you have operated at one time, Captain?

Mr. DORR. Twenty; I can tell you exactly.

Mr. MOSER. I was going to say 19.

Mr. BROWNE. In Alaska?

The CHAIRMAN. That is what I mean. We are talking about Alaska.

Mr. MOSER. In 1902, 1903, and 1904 we operated 20.

The CHAIRMAN. Was your output with the 20 canneries more or less than with the 14 you are operating now?

Mr. MOSER. Yes; it was very much larger. In 1902, 1903, and 1904 we had 20 canneries operating. In 1902 we packed 1,223,000 cases. In 1903 we had 1,267,000; in 1904 we had 1,143,000. When we were operating 14 in 1911 we packed 863,000.

The CHAIRMAN. Do you suppose the difference in the output had anything to do with the larger prices in 1911?

Mr. MOSER. The increased price in 1911 was largely due to the fact that the market was absolutely clean and there was a big demand for the fish.

The CHAIRMAN. And a smaller supply?

Mr. MOSER. No; the total pack was larger in 1911 than it had been before.

Mr. DORR. It was the largest in the history of the business.

The CHAIRMAN. In other words, the other companies have increased their output over what it was in 1902 and 1903?

Mr. MOSER. The total pack in 1911, as Mr. Dorr says, was the largest in the history of the packing industry. It was 2,820,000 cases, and the next pack to that in numbers was in 1902, 2,536,000 cases.

The CHAIRMAN. Of course we recognize that the population has been increasing very rapidly since that time. I wanted to bring out those facts.

Now, in regard to closing the stream. Probably I might just as well ask it now. Do not you think that if it should develop that the run of fish in a stream is very materially decreasing and that this has been so for a period of time, that the Secretary should have the right to stop fishing in that stream in order to permit an increase in the run, rather than to leave it to the canneries to determine, and perhaps go away from there only when the supply is gone?

Mr. MOSER. Yes; I should have no objection to that at all.

The CHAIRMAN. Is not that what this provision really provides, that he can close a stream or a section where the run is diminishing?

Mr. MOSER. The trouble with the bill is that he is not only able to close a stream but he can close the whole district.

The CHAIRMAN. Suppose he finds that in the streams of a district and the waters of a district the supply of fish is very materially diminishing. Do not you think he ought to have the authority to stop it?

Mr. MOSER. Opinions differ so vastly on that point, Senator, that I do not believe it would be wise to put into the hands of the Secretary the power to close out the business.

The CHAIRMAN. Do not you think it would be wiser to put it into his hands than to leave it in the hands of the fishery people?

Mr. MOSER. No; I do not.

The CHAIRMAN. Of course we have to assume that he would act upon pretty definite information and with a wise discretion.

Mr. MOSER. I think there is always a vast difference of opinion, Senator, as set forth by the Government officials and by the commercial interests.

The CHAIRMAN. There is no doubt about that. Which one do you think should be permitted to decide it--the commercial interests, which are, of course, naturally, and we can not blame them for it,

personally interested in the matter from a personal standpoint, or the Secretary, who is supposed to act as an impartial judge, you might say, especially looking after the general interests?

Mr. MOSER. We have never objected, Senator, to the old law. We recognize the necessity of giving the Secretary sufficient authority in the matter. We never objected to the closing of the streams within 500 yards of the mouths of the streams, which we believe is quite sufficient for the purpose. We do not object to that now. The main feature of this protest is because it gives the Secretary authority to close a whole district.

The CHAIRMAN. The main feature of this protest is because it gives the Secretary the authority to close a whole district?

Mr. MOSER. Yes; to close a large area. As a matter of fact, Senator, there are no streams that I know of in Alaska where fishing is done in the stream. We very frequently talk about the salmon fisheries in the streams. I do not know of any streams where fishing is carried on in the streams.

The CHAIRMAN. If the fishing is not carried on in the streams, it does not make much difference whether the Secretary has the authority to close the stream or not. If the fish are all taken outside of the mouth of the stream, that authority would not amount to much.

Mr. MOSER. It is closed within 500 yards around the mouth of the stream.

The CHAIRMAN. If the fish are taken more than 500 yards from the mouth of any stream, the Secretary would not have much power in the matter. Do you limit it to 500 yards?

Mr. MOSER. There may be several streams in the immediate vicinity with the mouths all close together.

The CHAIRMAN. You stated that fishing could be done effectively more than 500 yards from the mouth of the stream. I would like to know if that fishing is more effective than the fishing in the stream if the fishing is done off the mouths of the streams?

Mr. MOSER. Senator, the movement of fish is not well understood. I have in mind now the whole Bristol Bay district. We know the movement of fishes there are governed very materially by ice conditions and by winds. For instance, in the Nushagak region if there is a strong southwest wind blowing we know the fish will go toward the Kvichak side. Sometimes they take very devious courses. In 1910 of the great body of fish that were destined under natural conditions and were supposed to ascend the Kvichak, large bodies went up the Naknek, a stream they do not usually go up in large numbers. Last year large numbers of those fish went up the Egegak, where large numbers do not usually go.

I believe it will be found on close investigation that the movements of the schools of fish are controlled by temperatures just the same as shad. I know it was held several years ago, when I was more in contact with propositions east, that the shad moved on temperatures. In other words, that the fish coming in the Chesapeake Bay if they encountered ice coming down the Susquehanna and a consequent lower temperature would leave the Chesapeake and go on up the coast. I believe that whenever we have accurate water temperature observations we will find that the same thing occurs with the salmon.

On the Kvichak I have tried several seasons to get observations on water temperature, but on taking up the matter I found that the sun

on those great flats that are uncovered at low water warms them up and the water temperature observations were not reliable.

Mr. WICKERSHAM. Mr. Chairman, may I ask the captain one question right there? Captain, I want to call your attention now to the salmon business in Alaska for the last three years, in connection with the enormous increase in the price of living. I want to say to you that the total of the amounts I am going to read to you with respect to the fishery product in Alaska includes all of the fisheries of Alaska. The amount is greater than it ought to be with respect to the canned salmon, as of course it includes all the fish.

Mr. MOSER. Yes.

Mr. WICKERSHAM. But I understand the proportion is the same with respect to canned salmon.

In 1909 there were 2,395,477 cases of salmon packed in Alaska, and the value of the total output of fisheries of the year was \$10,422,169. In 1910 the pack in Alaska was 2,413,054 cases, only about 20,000 cases increase, while the value was \$12,650,191, or \$2,000,000 of increase in value.

Mr. MOSER. Yes.

Mr. WICKERSHAM. In 1911 the total number of cases was 2,820,066 cases, an increase of 400,000 cases, while the value had climbed to \$16,377,463.

Mr. MOSER. I do not know what you are reading from. I do not think the value of that pack was that amount to the canners.

Mr. WICKERSHAM. I am reading from the exact statistics given by the Bureau of Fisheries.

Mr. MOSER. You mean to say that that is the value of the product we take out of Alaska?

Mr. WICKERSHAM. I mean to say that that is the total value of the fisheries product of Alaska, and I said so in the beginning. I assume that is the proportion. In other words, Captain, for 1909, in 1909, the total fishery pack was \$10,000,000; in 1911 it was \$16,000,000 in value. In 1909 the total pack was 2,395,000; and in 1911 it was 2,820,000. In other words, there is a million dollars climb in prices and only a very small amount in the increase in the pack.

Mr. MOSER. Well, now, Judge, that is all due to market conditions. If you will let it stand over another year you will find the value of the same amount we pack much less. We are now on the higher part of the curve.

Apropos of that, and I intended to bring it in at the end of my remarks, permit me to submit this table I have here:

"Prices received by Alaska Packers' Association from 1893 to 1911 for canned salmon," also "comparison of prices for material, etc."

In submitting that table I would like to say this: We know everything has raised enormously in price in late years, and I would like to call attention to a few items. Take the item of tin plate for example: In 1899 we paid \$3.05 per box for tin plate; we are paying in 1911 \$4.30. We must have on hand for our Alaska pack 160,000 boxes of tin plate, which amounts to about 8,000 short tons.

This alone has increased in price \$1.25 per box, or \$200,000 for our season's outlay of tin plate alone. Pig tin in 1897 cost 13 cents a pound; in 1911 it is 40 cents a pound.

Pig lead in 1897 was \$3.25 a hundred; in 1911 is cost us \$4.65. The coal we purchased in San Francisco at \$6 a ton we now pay \$9 a ton for. Cotton webbing which in 1899 was 20 cents we now pay 37 cents for. Linen gill netting which in 1897 we paid 96½ cents for we now pay \$1.31.

The cost of feeding our men, which in 1902 was 50 cents per man, in 1911 was 67 cents.

The CHAIRMAN. Why do you take the different dates back there, Captain?

Mr. MOSER. Well, I have taken during that period from 1897 to 1899 to get the prices when they were comparatively low.

The CHAIRMAN. That is, you have taken the extremely low prices for comparison with each of these different high prices?

Mr. MOSER. The prices are all compared with 1911. Take the labor, which in the early days we paid 40 cents a case for to the Chinese. We are paying 55 cents a case now. Take our arrangement with the fishermen in Bristol Bay region, where formerly our contract was to pay them 2 cents a fish we pay now 3½ cents a fish. Marine insurance has nearly doubled since 1904. The cost of packing salmon has increased 80 per cent since 1897. I would like to file that statement in connection with this statement by Judge Wickersham. Shall I submit it now?

The CHAIRMAN. You may insert it in the record whenever you prefer.

Mr. MOSER. As this matter is up now, I think I might as well put those prices in here.

The statement is as follows:

Prices received by Alaska Packers' Association for canned salmon, per case of forty-eight 1-pound cans.

[Net prices; commission to brokers not included.]

Year.	Red.	King.	Coho.	Pink.	Chum.	Year.	Red.	King.	Coho.	Pink.	Chum.
1893.....	\$3.80	.....	.....	\$3.60	.....	1903.....	\$4.86	\$4.12	\$3.20	\$1.84	\$1.40
1894.....	3.60	\$4.40	.....	3.20	.....	1904.....	4.12	4.12	3.36	2.60	1.40
1895.....	3.70	3.80	.....	2.80	.....	1905.....	3.20	3.20	2.80	2.60	2.40
1896.....	3.74	3.70	.....	2.68	.....	1906.....	3.56	3.36	3.16	2.60	2.60
1897.....	3.34	3.30	\$2.80	2.30	.....	1907.....	4.30	3.92	3.56	3.60	2.80
1898.....	3.74	3.60	3.40	2.60	.....	1908.....	4.30	3.92	3.74	2.60	2.40
1899.....	3.74	3.60	3.34	2.60	.....	1909.....	4.30	4.12	3.92	2.24	2.14
1900.....	4.12	3.40	4.00	3.36	.....	1910.....	5.04	5.04	4.68	3.00	2.90
1901.....	3.56	3.74	3.20	2.60	.....	1911.....	6.00	6.00	5.44	3.74	3.56
1902.....	3.56	3.74	3.20	2.44	.....					

Comparison of prices.

Tin plate, per box	{ 1899.....	\$3.05
	{ 1911.....	4.30
Pig tin, per box	{ 1897.....	.13
	{ 1911.....	.40
Pig lead, per hundred	{ 1897.....	3.25
	{ 1911.....	4.65
Coal in San Francisco, per ton	{ 1897.....	6.00
	{ 1911.....	9.00
Cotton web, per pound	{ 1899.....	.20
	{ 1911.....	.37
Gill net, per pound	{ 1897.....	.96½
	{ 1911.....	1.31

Cost of feeding, per man per day	{1902.....	\$0. 50
	{1911.....	. 67
Oriental labor, per cent	{1897.....	. 40
	{1911.....	. 55
Sockeye, per fish	{1901.....	. 02
	{1911.....	. 03½

Marine insurance has doubled since 1904.

Cost of packing salmon, including labor, material, transportation, etc., has increased 80 per cent since 1897.

Mr. MOSER (continuing). Probably one of the best methods for conservation would be obtained by adopting the practice of some countries and leasing the streams either by auction or sealed bids for a term of years—at least 20 years. The lessee would then carefully guard his interest and see that sufficient salmon ascended to the spawning ground to maintain the supply.

I have always held and I think that probably some of the fishery experts will agree with me, that if a salmon stream could be retained by some individual it would be more carefully guarded than it is at the present time and that it would be more carefully fished if one concern had the exclusive control of it. I would permit all the early fish to ascend the stream to spawn; all that came in in the early part of the season. Then I would put a barricade in that stream and I would take out what fish I thought necessary to make my pack and permit a sufficient number afterwards to ascend the stream for spawning purposes. In that way I believe that conservation of the fish in that stream would be effected.

The CHAIRMAN. Is that policy followed by any other country?

Mr. MOSER. The Russians lease their streams. They lease the fishing privileges. They lease certain territory in which the people who get the lease have an exclusive privilege of fishing within the limits of that territory, permitting any kind of gear and any method they want to adopt.

The CHAIRMAN. Dr. Evermann, have you any suggestion to make with reference to that right here?

Dr. EVERMANN. Mr. Chairman, I do not believe that I would want to say anything very definite along that line now. The thought that is uppermost in my mind is that probably it would not square with our conception of doing things in this country and it might not be legal constitutionally to grant exclusive privileges of that kind. There is, however, no doubt in my mind that a system of that kind would conserve the fishes.

The CHAIRMAN. Without considering the legal phase of the matter but just assuming that we have the right to do something of that kind, what would you say as to the practical proposition?

Dr. EVERMANN. I believe it would be a very effective method of conserving the supply of fish in the respective streams, because when you give the exclusive fishing privilege on a certain stream to a certain company for a period of, say, 20 years, that company being in the business for that length of time, will certainly handle the fishery, according to its lights, in a way which will continue to yield to that company the largest return for the entire period of years. There would be only one danger which might come toward the end of the period of the lease. The company might be disposed, then, in the

event that it had doubts as to whether it would secure the renewal of the lease, to overfish the stream.

Mr. WICKERSHAM. Well, Doctor, a scheme of that kind would result in excluding others from fishing in that stream, of course?

Dr. EVERMANN. Undoubtedly.

Mr. WICKERSHAM. And around the mouth of the stream, and how far out from the mouth?

Dr. EVERMANN. That would be a detail to be worked out.

Mr. WICKERSHAM. Here is a gentleman from Wood River. Suppose he wanted to lease Wood River for 20 years. Would the gentleman down in Bristol Bay be permitted to catch the fish before they got in there?

Dr. EVERMANN. That would be a detail to be worked out, and the limits of fishing rights would have to be specified in the lease.

Mr. WICKERSHAM. Take Pyramid Harbor, of which we were talking a while ago. They catch Pyramid Harbor fish in Icy Strait, 90 miles away.

Dr. EVERMANN. That is a very good illustration. Fishing in Pyramid Harbor was at one time remunerative. Later, as Capt. Moser has said, fish which might have been caught in the Pyramid Harbor region were caught a long time before they got there.

Mr. WICKERSHAM. Why do you say "might," Doctor?

Dr. EVERMANN. I do not know whether that is true or not. Assuming that it is true, it shows that the fish headed for a certain stream might be caught a long distance away and the spawning beds of that stream completely depleted.

Right in that connection, I want to call attention to the necessity for this clause in the proposed bill, which would permit the Secretary to close the fishing in wide areas, because you can not tell, without more investigation than has yet been had, to what extent the power must be used in order to protect a certain stream.

Mr. WICKERSHAM. I was going to ask you now if there is any chance to catch these fish at any distance from shore?

Dr. EVERMANN. Yes; we have reports coming in now that fishing is being carried on at Neah Bay, some distance out from Puget Sound.

Mr. WICKERSHAM. Salmon fishing?

Dr. EVERMANN. Salmon fishing, by the use of purse seines and other methods.

Mr. WICKERSHAM. As far as 3 miles from shore?

Dr. EVERMANN. Beyond 3 miles from shore.

Mr. WICKERSHAM. Beyond 3 miles from shore?

Dr. EVERMANN. And the probable effect of this fishery upon the Fraser River and the upper end of the Puget Sound region is a matter that is receiving serious attention just at this time.

Mr. WICKERSHAM. Then we are going to have pelagic salmon fishing the same as pelagic sealing?

Dr. EVERMANN. Yes.

Mr. WICKERSHAM. With the same result.

Dr. EVERMANN. That is a possibility. I should not apprehend that the result would be so serious as the pelagic sealing; but it would undoubtedly be an important factor.

Mr. WICKERSHAM. Would not the leasing system lead to just that endeavor on the part of the fishermen to catch the fish before they get to the stream?

Dr. EVERMANN. I should think those who did not secure leases would try to discover some way of catching fish somewhere else.

Mr. MOSER. And yet, Judge, on those fish we take outside of the 3-mile limit the Government demands a tax of 4 cents or 5 cents on the case, the same as if they had been taken in territorial waters.

Mr. WICKERSHAM. I think you had better consult your attorney on that.

Mr. BROWNE. I understand, if I may interrupt, Mr. Chairman, that that fishing is supposed to be down on the Flattery Banks, clear out beyond the entrance to Puget Sound.

Dr. EVERMANN. I am not informed as to the exact geographical location, but it is in extra-territorial waters, and it is feared that it will be serious for several reasons, one of which is that among the fish caught are young salmon which are not mature and which ought to be left for one or two or three years longer; but the facts are not definitely known as yet.

Mr. WICKERSHAM. Can not that be stopped as well as pelagic sealing was stopped?

Dr. EVERMANN. Fishing beyond the 3-mile limit could not be stopped except by international agreement.

Mr. WICKERSHAM. We could punish those who did it.

Dr. EVERMANN. We could stop our own people, but we could not stop the citizens of British Columbia.

Mr. WICKERSHAM. We could by treaty with them.

Dr. EVERMANN. But if no more quickly than we were able to secure a fur-seal treaty, great injury might be done to the Fraser River and Puget Sound fisheries.

The CHAIRMAN. I do not think we need to go into that proposition. I want to ask you, Dr. Evermann, one question: You say that young fish are caught. Are these young salmon caught to any considerable extent?

Dr. EVERMANN. Senator, I have the report, but the bureau does not know as to the accuracy of the report. We do not know whether the small fish which have been reported as being young salmon are really young salmon or not. I do not know and the bureau does not know; we have not received any specimens for identification.

The CHAIRMAN. If that is true, it would be a little bit against our theory that the fish do not come back for three or four years.

Dr. EVERMANN. Oh, no. These are not coming back; they are out on their feeding grounds.

The CHAIRMAN. I thought you said you did not know where their feeding grounds were.

Dr. EVERMANN. Apparently some of the fisherman have discovered some of the important feeding grounds off the Flattery Banks.

The CHAIRMAN. I understood that they stay out three or four years.

Dr. EVERMANN. That has always been thought to be true; they do stay somewhere.

The CHAIRMAN. And I have understood that we did not know where.

Mr. MOSER. I think I can give some information on the Puget Sound salmon fisheries. I have been in contact with them several summers. The purse seine fishing is a method of catching fish which has come in practice in recent years. At first small gasoline boats were used with small purse seines. They were found so successful

that later those boats have been growing until now boats of 60 or 70 feet in length 75 horsepower, and using purse seines 250 fathoms in length and 20 fathoms deep are used. They have been used for the last few years very successfully in the interior waters of Puget Sound, or, rather, upon the waters that lie east of Victoria and Port Townsend.

In 1909 during the big run, I counted at one time from the salmon banks 62 or 63 of these boats in sight. They see a school of fish coming in and they readily surround that school and take them. These boats will carry, or did at that time, some seven or eight thousand fish which are contracted to the various canneries for delivery. As I have said, those boats have been growing larger. I do not think they are fishing yet, although they may be fishing for silver salmon, which come in in large numbers about this time; but this year the general idea was, that these boats would go up to the entrance of the Strait of Fuca to intercept the schools of salmon coming through the strait.

I have never heard of the young salmon being found or of the feeding grounds being discovered. That is a matter probably that may have come up in the last few months; but I do not think that point is at all settled or well known at the present time. However, I will simply say that it agrees with the theory I have held for some time that the feeding grounds of the salmon is near the edge of the continental plateau.

Mr. DORR. I would like to add to this Neah Bay history a few facts that have come to my notice. I have not understood that the fishing for sockeye salmon with purse seines has been carried on outside of the 3-mile limit, but I do know for a fact that there are great quantities of silver salmon caught out in those waters with hook and line by trolling. Last year there were a good many hundred fishermen out there engaged in that business and they caught large quantities of silver salmon by trolling.

A curious incident came up, speaking of the law of the case. A special agent of the Treasury Department came out there last year, or after the close of the season, and made a demand on one of the canners who operated in Puget Sound for the payment of a large amount of import duty on these fish that were caught with hook and line outside of the 3-mile limit, upon the theory that they were caught by British subjects and sold on the high seas to American subjects.

The CHAIRMAN. And then imported?

Mr. DORR. And then brought into this country and canned. I have followed this thing for several years and I am very doubtful if there are many sockeye salmon caught outside of the 3-mile limit in purse seines, but I do know that large quantities of silver salmon are caught, as I have stated.

Mr. MOSER. I can add to that that the capture of silver salmon off Neah Bay is a very old fishery. The Indians for many years in their canoes trolled for silver salmon for market and for the canneries outside the Straits of Fuca.

Mr. DORR. The claim that was made on behalf of the Treasury Department for these import duties I mentioned was based upon the theory that these fish were caught by British Columbia Indians.

Mr. WICKERSHAM. Do you know of any reason, Captain, why they can not catch fish off Alaska just as well as they do off the Straits of Fuca?

Mr. MOSER. In certain sections I see no reason why they could not. Take southeast Alaska. There are only three main highways that communicate with the interior and the salmon must come in through one of those three places. If we ever can discover just where they round the different headlands, for instance, stream fishing will not be necessary at all.

Mr. WICKERSHAM. What are those three inlets?

Mr. MOSER. Dixon Entrance, Sumner Strait, and Icy Strait.

Mr. WICKERSHAM. How many traps are there in Icy Strait?

Mr. MOSER. I really do not know. I have not been in touch with that proposition for a number of years. It is possible Mr. Webb may have some data on that subject.

Mr. WEBB. No; I have not.

Mr. MOSER. We do not do any fishing there ourselves. I do not know, but there are quite a large number.

Mr. DORR. Do you know, Dr. Evermann?

Dr. EVERMANN. Well, we have a chart—Mr. Cobb's chart—of traps in Icy Strait, which, I think, will show the number.

Mr. BOWER. We have not got it here, however.

Dr. EVERMANN. I think we have a blue print of a chart which shows the location of those traps there.

The CHAIRMAN. Will you try to get that here for the next meeting?

Dr. EVERMANN. Yes. I have now looked up the matter and find that 15 traps were operated in Icy Strait in 1911.

Mr. MOSER. The only place is in Icy Strait. There are none in the other places.

The CHAIRMAN. Are there any in the waters leading from Dixon Entrance?

Mr. MOSER. There are none that I know of. They are all to the northward of Dixon Entrance.

The CHAIRMAN. The map will show the location of all those traps, Doctor?

Mr. MOSER. Yes.

I may say that my suggestion in connection with the leasing of streams is a matter that has been suggested by the custom of some of the foreign countries, among others Russia, and also from observations which were made in Alaska a good many years ago, in which I made certain inquiries, and I will refer you to a small item in the bulletin of the United States Fish Commission "The salmon and salmon fisheries of Alaska," based upon the investigation of the Fish Commission in 1897, which states, in discussing the law of 1896:

There is, however, a general inclination toward a tax on the output of each cannery and saltery for the support of hatcheries, and the suggestion that the streams be leased for a term of years has everywhere met with favor.

That was before there was any tax. The tax was, in fact, suggested by the cannery themselves.

Mr. BOWER. That was your statement, was it not, Capt. Moser?

Mr. MOSER. That was my own statement when I was operating for the Government.

Mr. WICKERSHAM. In what capacity, Captain?

Mr. MOSER. I had command of the *Albatross* in the examination of the salmon streams of Alaska.

Mr. WICKERSHAM. What year was that?

Mr. MOSER. 1897 and 1900 and 1901.

Mr. WICKERSHAM. When did you enter the employ of the fish companies?

Mr. MOSER. 1904.

That finishes section 7.

It is understood that there is no objection to a proviso at the end of section 8 to the effect that fish gurry will not be considered as a destructive substance.

On sections 9 and 10 I have no criticism.

Section 12—I have no criticism to make at the present time. In connection with section 13, we have already discussed the definitions that may be removed. Section 14—I have no comment to make. Section 15 is left to the judiciary and treaty-making powers.

Section 16, page 19, lines 11 and 16: This section makes an employer in San Francisco and Puget Sound liable for the employee's acts committed in Alaska. We do not think that is just.

We furnish our superintendents each year with a copy of the law and we give them specific instructions to obey the law, and it is our desire—we do not wink at it—that they shall obey the law, and how we in San Francisco, for instance, can be held responsible for the act of a subordinate in Alaska we hardly can understand. It might happen that an employee might act in a hostile manner through outside influence and thereby injure the operating company.

Mr. WICKERSHAM. You think guilt ought to be personal in those cases?

Mr. MOSER. I think so.

Mr. WICKERSHAM. I rather think so, too.

Mr. MOSER. I think this paragraph should be removed. In section 17, I am sorry to say, I do not agree with Judge Wickersham. I believe that the district courts in California, Oregon, and Washington should have jurisdiction over the cases, for this reason: The people who commit the offenses are employed during the summer time in Alaska. The only time probably when the cases would be tried would be during the winter. To take those people and carry them to Alaska at that time is, I think, a great hardship, and the district courts I have mentioned would be equally as just and equally as efficient in trying the cases without subjecting the accused to the inconvenience and hardship of a journey to Alaska during an inclement season.

The CHAIRMAN. What would you think of a provision allowing the defendant to elect in which of these courts he would be tried?

Mr. MOSER. I think that would be proper.

Mr. DORR. But, Senator, unless he may be apprehended in the extraterritorial district, he might escape altogether.

The CHAIRMAN. Of course that was a mere suggestion.

Mr. DORR. This original scheme was devised by the Department of Commerce and Labor to prevent escapes as well as for the convenience of both sides.

The CHAIRMAN. That is the same as the law is now?

Mr. MOSER. Yes; that is the same as the law is now.

Mr. DORR. Yes.

Mr. MOSER. I simply brought it up, as Judge Wickersham, in going over this section at Dr. Evermann's hearing, I think, suggested that

this feature should be stricken out and that the cases should be tried in the judicial district in which the offense had occurred.

The CHAIRMAN. Has there been any difficulty or any hardship under the law as it has been or as it is now?

Mr. MOSER. I do not know of any cases having been tried at Valdez of offenses committed against the law.

The CHAIRMAN. Judge, can you tell us of any?

Mr. MOSER. I do not recall of any being tried at Valdez.

Mr. WICKERSHAM. Yes; when I was holding court out there we had a good many of those cases. A good many questions of this kind arose?

This I think was the occasion for changing the law: Some of these men were arrested for violations of the law and some of the officers of the different companies were witnesses and were detained; and for that reason they got the law changed so that they would not be compelled to go to Alaska.

The CHAIRMAN. Since the law has been changed——

Mr. WICKERSHAM. Since that time I have not been familiar with that matter.

The CHAIRMAN. You do not know of any practical instances?

Mr. WICKERSHAM. No. I only mentioned it as a theoretical proposition.

Mr. MOSER. They have now in Alaska a very good system by which they have a movable or flying court. In the spring of the year one of the revenue cutters goes with the judge and the marshal and visits the different localities and tries cases on the ground. There are other cases which may be brought to the other courts also when this traveling court is not in session.

The CHAIRMAN. We can probably get some information from the Department of Justice with reference to that—as to whether or not any change should be made.

Mr. MOSER. Section 19 should be amended I think. The law when it goes into effect should go into effect the first of January following its approval. That is the time when everybody is at home and before many of the companies have really made their arrangements for going to Alaska. That, however, has already been referred to.

I would like here to offer a few words on the salmon question in a general way.

It is generally believed that the Alaska salmon fisheries are the greatest salmon fisheries in the world and the ordinary observer who usually sees only a few fish laid on the retailer's counter looks with amazement upon the millions of salmon taken from the Alaskan waters, and I must confess that I was one of those when I first came in contact with the proposition some 16 years ago. In spite of the numbers taken from these waters, the canners are making quite as large a pack as ever and increasing year by year with no great signs of diminution. There are off seasons and here and there salmon streams have failed to respond, but it is a question whether this failure would not also occur under natural conditions if there was no fishing. I know of a number of streams that were not overfished that have failed.

I have already referred to the case where the water may freeze to the spawning beds and destroy the eggs. I have also referred to

cases where fish spawn at high water over banks and shoals that are uncovered at low water. That has occurred sometimes.

In 1900 I was in Ugashik, a large stream that empties into Bristol Bay. That stream was overcrowded with fish. The fishermen were all on their limit, and even in washing out their nets at night the salmon got into the nets in every way possible. If there was any locality in Alaska that I thought had an overabundance of salmon it was Ugashik. There hardly have been enough fish there to run a decent cannery since that time. It has not been overfished, but for some reason or other they have not returned.

The CHAIRMAN. Are there any streams or bodies of water near there that have increased?

Mr. MOSER. There are other streams, as I shall refer to now. The Ugashik is the lower stream. That is the westernmost large stream that enters into the Bristol Bay district. The next stream above that is at Egagak. That stream runs very few fish ordinarily; yet last year great schools went up that river before all the fishermen discovered it. The year before, 1910, the Naknek, which is the next stream above, which runs very few fish ordinarily, received the great bulk of fish. That is, the Egagak and the Naknek received the body of the fish that ordinarily, we believe at least, go up the Koichak.

At Thin Point there is a stream which during some years furnishes a very large number of salmon. Then there is an intervening period—it may be three or four years—in which there may be hardly enough fish there to eat. As I mentioned before, the movements of fish, I believe, are influenced by the winds, the ice, and temperature conditions.

The draft upon Alaska salmon is influenced by the market conditions—supply and demand. The year 1911 was a profitable year for the small canner in southeastern Alaska, because canned salmon was at high-water mark, the market being bare, the demand good, and consequently the prices good. It is our experience that the prosperity of the industry runs in curves; we descend during business depressions, industrial strikes at home and abroad, etc., and rise to the top when the working man throughout the world is employed, for it is the laboring man that consumes our product. Of course over or under production and the price of other foodstuffs also influence the market. On account of the good market of 1911 many new canneries have been projected for the 1912 pack. It is doubted, however, if a large number will actually be built.

The CHAIRMAN. Do you know, Captain, by whom these new canneries projected will be built?

Mr. MOSER. I think by new companies generally. It may be that here and there some one who has a cannery is building a second one.

The CHAIRMAN. Does your company contemplate any new one?

Mr. MOSER. No.

The CHAIRMAN. Does the Northwestern Co. contemplate a new one?

Mr. MOSER. We do not know. We do not consider putting in any more money into Alaska in new projects. We have sufficient to do to keep up our old plants.

The CHAIRMAN. Do you contemplate starting any of your old plants that have been closed for awhile?

Mr. MOSER. No, sir.

A considerable amount of the 1911 pack is still unsold and the market has a downward tendency. A note of caution was sounded in a recent number of the *Pacific Fisherman*, a journal devoted exclusively to the fishing industry, recommending more than ordinary discretion in making investment in this industry. It is generally believed by those who know the business that within a few years many of the canneries will have ceased to operate.

There is a competitor arising in the salmon world that will prove a strong factor in the market, and one against whom it will be difficult to compete unless a liberal policy is adopted toward the Alaska industry. I refer now to our neighbor across the waters, Siberia and Kamchatka. By reference to the Bureau of Fisheries documents it will be seen that in the last few years, say, from 1906-1911, there were taken, in round numbers, from 31,000,000 to 44,000,000 salmon from Alaska waters, or an average of about 37,000,000 salmon each year for six years.

This number seems very large, but let us examine the information we have from Siberia of the salmon fisheries there. In examining the consular reports of December 9, 1909, January 23, 1911, and August 17, 1911, it will be seen how much the salmon fisheries of that country have grown during the past 20 years and that the catch far exceeds that of Alaska. The fishing industry there is equipped with substantial buildings, cold-storage facilities, ice cellars, and canneries. One fishing station alone was constructed costing \$175,000. The fishing locations are leased, the parties having a monopoly of the territory leased and any gear may be used. The number of fish taken is only limited by the number that can be sold.

The larger amount of the product is carried to Japan, but there are several steamers fitted with refrigerating appliances that carry frozen fish to Germany and Baltic Sea ports. According to the statistics of the Fisheries Control, the catch of salmon in the Amur River, Siberia, alone in 1910 was 38,632,147, thus far exceeding the average of the total catch of all Alaska for the past six years, which was 37,000,000 fish. According to the *Fishing Gazette* of March 25, 1912, the total output of eastern Siberia, which included the Amur and maritime Provinces, with the Sea of Okhotsk and Kamchatka, for the same year 1910 was 63,000,000 salmon, nearly double the number taken from all Alaska that same year, and a large number of rivers in the Anadir district are not yet explored.

The article further states:

The number of salmon which ascend the Far Eastern (Siberian) rivers and spawn surpasses all imagination; cinematographic exposures show the fish actually lifted out of the water by the moving mass beneath them.

We have no exact data of the number of salmon canneries in eastern Siberia or their output. We know of several, one having a pack of 38,000 cases in 1911, and one of upward of 40,000 cases. We know that their product is good, fully equal to our own, and is catering to London markets in competition with Alaska salmon.

The London wholesale quotation of March 8, 1912, taking the pound sterling at \$4.86 $\frac{2}{3}$, is as follows: Alaska red salmon, per case of 1 pound, 29s. 9d., \$7.24; Siberian red salmon, per case of 1 pound, 23s., \$5.59 $\frac{2}{3}$; a difference in favor of Siberian salmon of \$1.64 per case, or 41 cents per dozen, which exceeds by nearly 6 cents the average profit we have made during 19 years.

I have here a few samples of the Siberian salmon. We have opened some of the cans. This [indicating] is the salmon proper. This is spiced salmon; and this is their salmon, "Fresh Red Salmon K W brand."

We can not possibly compete with the labor in Siberia, either the cannery labor or the fishery labor, unless a liberal policy is pursued toward the Alaska fisheries.

Mr. WICKERSHAM. Have you any idea of what the labor is over there; how much it is paid?

Mr. MOSER. No; I have not.

Mr. WICKERSHAM. How do you know we can not compete with them then?

Mr. MOSER. I know what labor amounts to in Japan. I was over there a few years ago. A rickshaw man that made 11 sen a day made sufficient for his living that day. I know that mechanics, for example, machinists, received 56 cents a day and they were getting big wages.

The CHAIRMAN. Have you ever made any investigations, Captain, to see what labor at these canneries could be employed for?

Mr. MOSER. I know that the fishermen there were largely Japanese. What the cannery labor is I do not know. But we know very well if we did not have the exclusion law we could bring the people in from the other side to do our work at an infinitely smaller cost. If the bar of the Chinese exclusion law was let down and 500,000 Chinese were allowed to enter the Pacific Coast States, the labor problem would be solved.

The CHAIRMAN. Of course, you have a general knowledge of the Siberian situation and you know that the cost of production is very much less than yours.

Mr. MOSER. Oh, there is no question about it.

The CHAIRMAN. And yet they sell at practically the same price?

Mr. MOSER. Oh, no. There is a difference between 29s. 9d. or \$7.24, for Alaska red salmon per case of 1-pound cans, and 23s. or \$5.59 $\frac{2}{3}$ for Siberian.

The CHAIRMAN. How can you find a market for your salmon with such a difference in the price?

Mr. MOSER. Because the product has not increased as yet. We have a market which is already established. These salmon are coming in. I am simply pointing this out as a factor in the salmon market.

The CHAIRMAN. That is, if these salmon are offered in the market at 5 cents and yours are offered at 7 cents, people who know your salmon take that in preference?

Mr. MOSER. We have established our trade. The trade is there, but at those prices we can not hold it.

The CHAIRMAN. How long have these Russian canneries been competing with you?

Mr. MOSER. This is about the first we have known of actual competition. These cans we obtained through our London agents. They called our attention to this product being in their market. I think there was a cannery established in 1901 at Petropavlovski, which failed.

Arrangements were also made by some gentlemen to build a cannery on Avatcha Bay. That cannery was built the following year by

an American who had formerly been the superintendent of the Baranof Packing Co. on Baranof Island. He went over there, but I do not think he liked the work. It is a difficult matter for a foreigner to do business in Russia unless you have a Russian as a partner. Their methods of doing business are different from ours.

Mr. DORR. Mr. Smith told me that he failed there because of his inability to get along with the Russian officials.

Mr. MOSER. This cannery here is under the Germans, I think. I think this is a German concern. "Eckermann's," I think he is in Vladivostok.

Mr. WICKERSHAM. Captain, can you tell anything about it by these labels?

Mr. MOSER. Tell what?

Mr. WICKERSHAM. Tell anything about where the salmon were canned?

Mr. MOSER. What product it is, you mean?

Mr. WICKERSHAM. Yes.

Mr. MOSER. We have opened numbers of them and compared them with our own product.

Mr. WICKERSHAM. How do they compare?

Mr. MOSER. Excellently well.

Mr. WICKERSHAM. In quality?

Mr. MOSER. Yes.

Mr. WICKERSHAM. Are they just as good as yours?

Mr. MOSER. In fact, that salmon is a little bit stronger in oil than our average Alaska salmon—a little bit heavier.

Mr. WICKERSHAM. Are you sure those cans were put up in Kamchatka?

Mr. MOSER. I did not see them put up, of course; but I know they came from London—from the London market. They were sent to us as samples by our agents there. You can see it is a double-seamed can, the new process.

Mr. WICKERSHAM. Well, but you gentlemen have informed us that the labels are changed right along.

Mr. MOSER. We have no doubt that that is the Siberian salmon. We are looking with more or less consternation upon that product reaching the London market, because the London market is our big market.

Mr. WICKERSHAM. How much of your product is foreign?

Mr. MOSER. The Pacific coast product?

Mr. WICKERSHAM. Yes.

Mr. MOSER. I should say about a million and a half cases go to Liverpool and London.

Mr. WICKERSHAM. More than one-half of the whole pack?

Mr. MOSER. No. We will say, for instance, the Pacific coast pack is 5,000,000 cases, which is a large estimate. I should say, in a general way, that the United States takes 2,000,000, the London market a million and a half, Canada half a million. A little under half a million goes to Australia, and South America and the rest is scattering. I should say that would be the general distribution.

Mr. WICKERSHAM. Three-fifths of it, then, goes to the foreign trade?

Mr. MOSER. Yes.

Mr. WICKERSHAM. That is what I was saying.

Mr. MOSER. Yes; three-fifths goes to the foreign trade.

The CHAIRMAN. You do not know when the first cannery was established over there in Siberia?

Mr. MOSER. The first attempt I speak of was in 1901. I was there in 1896 and again in 1900. I know they had some difficulty in getting the mechanics or in getting the skilled labor. I know that Smith had some difficulty.

The CHAIRMAN. Doctor, has the Bureau of Fisheries any information as to how many canneries there are over there in that territory?

Dr. EVERMANN. Senator, I do not believe we have. We may possibly get it from the consular reports, but I do not think it has ever been compiled. Since making this statement I have consulted the daily consular and trade reports, and in that for August 17, 1911 (No. 192), find the following on the subject of salmon canneries in Siberia: The canning of fish in eastern Siberia is an industry still in its infancy. Some years ago a concern backed by American capital erected a canning plant in Petropavlovsk, but on account of difficulty with the local authorities operations were never started. In 1907 two canneries were established in the estuary of the Amur River, near Nikolaiefsk, but beyond getting out samples they were never operated. In 1910 a factory was erected in Ust-Kamchatka, on Lake Nerpitch, and the first year's output proved most satisfactory. The factory has a capacity of 10,000 boxes of 48 cans each, and it is expected that the capacity will be doubled.

Mr. MOSER. If you please, Mr. Chairman, so much has been said in regard to the natives of Alaska in contact with the fisheries generally that, if you have the patience and will permit me I would like to say a few words upon that subject.

The CHAIRMAN. Captain, we will be glad to have anything you want to submit.

Mr. MOSER. The business of the company I represent brings us into intimate relation with the natives located among the islands and on the seacoast from Dixon Entrance, the southern boundary of Alaska, to Bristol Bay in Bering Sea, and from our experience we believe we know the condition of the native races along the sea border line.

It has been said that the canneries influence amongst the natives is not for the best, that we take away their food and disseminate disease amongst them. You will, therefore, pardon me if I lay before you a few facts in relation thereto:

The aboriginal people of Alaska with whom we come in contact may be divided into three races, which consist of the Southeast Alaska Indians, who inhabit the coast from Dixon Entrance to Yakutat, the Aleuts of the Aleutian Islands, and the Innuits or Esquimaux of Bristol Bay, the latter being very few in number. On the border lines these people are blended, but generally they may be distinguished by their customs, manner of living, dwellings, etc.

The story of the Alaska natives is the same as that of all countries where the white race with its so-called civilization comes in contact with a native race. Disease and debauchery envelopes the weak, and before the white man's manner of life has been assimilated, the ranks of the natives have been decimated.

It is true that tuberculosis, influenza, measles, asthma, dysentery, and venereal diseases are not uncommon amongst the natives, but they are not more prevalent than amongst aborigines whether of the

Tropics or the Frigid Zone that have come under the white man's sphere of influence. Doubtless disease has been introduced by intercourse with Europeans and disseminated through the licentiousness of the natives, but this intercourse is not altogether to blame, for the present condition is also found in remote and secluded districts where few white men reside.

The ill-judged enforcement of our so-called civilization is the great factor that causes death and disease amongst aboriginal people; they can not stand the shock of the overwhelming wave of Anglo-Saxon energy, enterprise, and cupidity, and the critics do not and can not take these factors into consideration. The manner of wearing our clothes and the heating of badly ventilated houses render the Alaskan native particularly liable to tuberculosis, and their vices, indolence, intemperance, improvidence, and licentiousness in contact with vicious whites disseminates disease. The cause of depopulation is perhaps beyond the reach of human means to control.

All this, however, is a long story—one that would take pages to trace from the early Spanish explorers through Cook, Perouse, Vancouver, and the Russians who first came in contact with the Alaska natives. The question is to accept the conditions as they are and ascertain the remedy so far as human aid can be rendered.

During the season, from April to October, the company I represent maintains six medical stations in western Alaska, each presided over by a competent graduate physician; three in Bristol Bay, Bering Sea, two on the Alaska Peninsula and Kodiak Island, and one in Cook Inlet. The instructions to all our officers are to treat and supply with sufficient medicines free of charge all natives of the country in which the cannery is located and who may apply for treatment, and from the medical journals of the different stations we know that several hundred natives each year receive medical assistance.

In the report of the governor of Alaska for 1910 and 1911 attention is called to the wide prevalence of infectious diseases amongst the natives of Alaska. A case is cited of a physical examination made by one of the school physicians of 1,161 natives, 418, or 36 per cent, being found affected with tuberculosis and 308, or 26 per cent, with venereal disease. In House of Representatives Document No. 477, Sixty-second Congress, second session, is published a letter dated August 30, 1911, addressed to the Commissioner of Education by Passed Asst. Surg. M. H. Foster, Public Health and Marine-Hospital Service, to which I beg to invite your attention. Dr. Foster was detailed to visit Alaska and examine the general condition of native life from a sanitary and medical standpoint. It is a fair report, a clear statement of facts, based upon a personal examination of as many natives as possible in 29 villages along the seacoast from the southern boundary of Alaska to and including Cook Inlet.

Referring to the morbidity chart, page 18, presented in the report, we find 1,364 natives were personally examined. Of the number 7, or 0.5 per cent, had active syphilis, and 14, or 1 per cent, had hereditary syphilis. Under the heading of tuberculosis there were 32, or 2.3 per cent, with active pulmonary, 8, or 0.6 per cent, with other forms, and 21, or 1.5 per cent, latent. It is not necessary, I think, to make a further comparison to refute the wild statements of irresponsible people.

The canneries are accused of taking away the food supply from the natives, which statement, so far as the coast Indian is concerned and

of which we have knowledge, is in error. In conference with them they frequently state that before the coming of the white men they lived happily, they wore skin clothes, and the food was abundant on sea and land, but upon the advent of the civilizing influences they were taught to dress in the white man's clothes and use the white man's food, but they were not furnished with the means to procure either. From the earliest days when canneries were first established in Alaska, natives have been given employment, and at the present day we are more than desirous of obtaining their labor and employ all that are willing to work. The average wage per day during the canning season for men is \$3 and good board, and for women is \$2.50, and at other times the men \$2.50 per day and board. By this labor an industrious man can make more than sufficient money to carry his family through the long winter months. Thus the canneries are the factors that place in the hands of the natives the largest means for their support and permits them to adopt civilized customs.

There are many products of the sea besides salmon that are used in great quantities for the subsistence of the natives of Alaska. Amongst fishes there are halibut, herring, flounder, sole, cod, tomcod, rock cod, eulachon, trout, and other species, all found in the greatest abundance; besides the fishes there are seals, clams, crabs, etc., and all equally abundant. The salmon, however, appears to be the object of legislative attack, probably because they are seen taken from the water in large numbers and used commercially.

For 20 years or more the great cry has been against the salmon industry. It has been said, and is still said, that the canneries are depleting the streams and taking away the food from the natives. This is the veriest rubbish; the canneries are to-day packing more salmon than ever and the streams on this coast that have been longest fished commercially, like the Columbia River since 1866, are still holding their own and furnishing as many salmon as in the earliest days. The native of Alaska is not deprived of his supply of salmon by the canneries; on the contrary, they place in his hands the means by which he can obtain more salmon for his own use in a few days than he could with his primitive methods during the whole season. But, beyond all this, the canneries pay the natives well for their labor and place them in a position where they can live as they are taught by the advance of civilization. If the commercial fisheries of Alaska were abolished to-day the native would be the greatest loser and in our opinion would return to barbarism.

We see year by year that they are bettering their condition through the commercial fisheries; this is particularly noticeable in southeast Alaska, where the improvement in their physical condition and surroundings is most marked. In the Ketchikan district they own and operate more than 100 motor boats in the fisheries, and are doing well. Some of these boats, I am told, have made as high as \$3,600 in two months' work, and employ five men, who share equally with the boat. The cannery seek the natives everywhere for their labor.

The Aleut, where located in proximity to a cannery, is also doing very well, many of them traveling several hundred miles over land and water to obtain work at the canneries, even crossing the Alaska Peninsula to Bering Sea for employment. The contrast between the cannery Aleut and those living in the more distant regions is most marked. The former, by the means obtained by cannery employment, living comfortably in villages, are well clothed and fed; while

the latter, solely depending upon the natural resources of their habitat, unable to obtain the means for procuring any of the comforts of life, are only too frequently in miserable want.

The Innuits of Bristol Bay are few in number, and the improvement in their condition is not so encouraging, but there is an improvement, and it is due to the compensation for the labor which the fisheries afford and which the canner is very desirous to obtain.

The instructions to our company with reference to the introduction of liquor are very stringent. We permit no liquor to be carried to Alaska, except a small quantity for medical stores and for the superintendent's own use, and we enforce our orders by employing special men who search baggage and stores for liquor, which when found is destroyed.

The statement so frequently made that the cannery place fences and traps in the streams in a way that prevents fish from ascending to the spawning ground is without foundation in recent years so far as our knowledge of the situation goes. The few traps in operation in Alaska are all located in the tidewater bays, estuaries, and straits. Traps are by law distinctly prohibited in all streams less than 500 feet in width and within 500 yards of the mouth of a stream having a less width than 500 feet. In large streams traps are permitted, but must not extend more than one-third the width of the streams, nor are two traps permitted closer than 600 yards laterally or 100 yards endwise. In fact, we know of no trap in any stream in Alaska, large or small.

In order to corroborate a part of my statement by Government reports, permit me to quote a few lines from Dr. Foster's report under the heading "Occupation." He states:

The Indian lives chiefly by fishing and working during the summer in the canneries.
* * * In almost all parts of the district the industrious, if able-bodied, are able to make a living. The waters are teeming with fish, and very little effort is required to catch and preserve a sufficient supply for the entire year. The canneries afford an opportunity for the men, women, and even children to earn quite a respectable sum during the season for the purchase of such articles as they may need during the season.

The CHAIRMAN. Captain, you have referred several times to the Columbia River and the maintenance of the supply there. Do not you think that is largely due to the hatcheries on that stream?

Mr. MOSER. Unquestionably it is. I think one of the strongest proofs we have of being able to maintain a large stream is the Columbia River and Sacramento also.

In conclusion, let me say that we believe the salmon fisheries of Alaska have been neglected by the Government. To maintain all these vast fisheries we have been given two hatcheries only, and they are not extraordinarily large. We see Federal trout hatcheries in numbers to stock the streams for the sportsman, Federal hatcheries in the States for commercial fishing, working side by side and in conjunction with the State hatcheries. But in Alaska, the only country under the flag that pays a Federal fishing tax, we see that tax applied, not to the fisheries, where it is badly needed, but for the development of resources foreign to our business, and we submit to you whether that is just. I may say personally that I feel certain that if the entire proceeds of the tax, whatever it may be, is taken out of the Alaska fund and applied to the fisheries or paid into the Treasury, the sentiment to overburden the salmon fisheries of Alaska with excessive taxation will cease.

The impression conveyed to us is that we are looked upon as a lot of marauders who have invaded Alaska to pilfer the country. This is erroneous. The large amount of capital permanently invested in the Alaska salmon fisheries, which at best is a risky business with small profit, is not there for a day or two, but is a permanent investment, honestly conducted, and is desirous of fostering the industry for all time.

We believe that the Bureau of Fisheries, which was established by the Government to promote the fisheries of the country, should be encouraged by liberal appropriations to assist us along economic lines instead of being used as a police force in the execution of the law.

I have a table here; I do not know whether it would be of any service to you or not. It gives the number of canneries that have been operated from the beginning of the canning industry—1878 to 1911—of our own company, and the total number of canneries. It gives our own pack and the pack of the other canneries, with the total pack. Whether this may be in Dr. Evermann's data or not I do not know.

Dr. EVERMANN. I do not think we have that.

The CHAIRMAN. We would like to have that go into the record.

Mr. WICKERSHAM. Captain, have you two copies, so that I can have one?

Mr. MOSER. Yes; certainly.

The table is as follows:

Alaska salmon pack, 1878 to 1911, showing number of canneries operated annually by Alaska Packers' Association and by other companies, also annual pack of each.

Year.	Associa- tion can- neries operated.	Other canneries operated.	Total canneries operated.	Associa- tion pack.	Other can- ners' pack.	Total pack.
1878.....		2	2		8,159	8,159
1879.....		2	2		12,539	12,539
1880.....		1	1		6,539	6,539
1881.....		1	1		8,977	8,977
1882.....		3	3		21,745	21,745
1883.....		6	6		48,337	48,337
1884.....		7	7		64,886	64,886
1885.....		6	6		83,415	83,415
1886.....		9	9		142,065	142,065
1887.....		10	10		206,677	206,677
1888.....		16	16		412,115	412,115
1889.....		37	37		719,196	719,196
1890.....		35	35		682,591	682,591
1891.....		30	30		801,400	801,400
1892.....		15	15		474,717	474,717
1893.....	13	9	22	462,646	181,008	643,654
1894.....	12	9	21	488,552	197,888	686,440
1895.....	14	9	23	473,677	152,853	626,530
1896.....	16	13	29	650,011	316,096	966,707
1897.....	17	12	29	671,494	237,584	909,078
1898.....	17	13	30	684,661	280,436	965,097
1899.....	17	15	32	723,239	354,907	1,078,146
1900.....	18	24	42	868,195	581,944	1,450,139
1901.....	19	36	55	958,807	1,057,997	2,016,804
1902.....	20	40	60	1,223,200	1,313,624	2,536,824
1903.....	20	34	54	267,693	978,517	1,246,210
1904.....	20	27	47	1,143,127	810,629	1,953,756
1905.....	13	29	42	630,790	963,726	1,594,516
1906.....	15	32	47	1,003,556	1,215,488	2,219,044
1907.....	14	30	44	997,814	1,172,050	2,169,864
1908.....	15	35	50	1,116,947	1,490,026	2,606,973
1909.....	14	31	45	1,079,108	1,318,374	2,397,482
1910.....	14	37	51	915,263	1,497,791	2,413,054
1911.....	14	48	62	863,739	1,957,227	2,820,966
Total cases.....				16,620,514	19,770,123	36,390,637

In several instances the number of canneries operated does not agree with Government reports, because latter include Alaska Packers' Association Puget Sound canneries, as well as some Alaska canneries that did not operate.

Mr. WEBB. I have a compilation of the hatcheries in the United States. Would not this be a good place to have that go into the record?

The CHAIRMAN. Yes; I think so.

Dr. EVERMANN. I have prepared a paper giving the number of Federal and State hatcheries in the United States and in Alaska, with certain comments, and with your permission I shall put it in later.

The CHAIRMAN. All right; we will let that go over for the present.

Mr. MOSER. I have other tables here, some of which I do not think are pertinent. I have the pack of my company by grades from 1893 to 1911—the exact pack. Then, I have our Puget Sound pack, which, however, is not pertinent here, and I have the combined Puget Sound and Alaska pack.

The CHAIRMAN. I think you might put that in, Captain.

The table is as follows:

Alaska Packers' Association Alaska pack, by grades, 1893 to 1911.

Year.	King.	Red.	Coho.	Pink.	Chum.	Total.
1893.....	29,351	364,872	41,666	26,757	.....	462,646
1894.....	17,631	417,008	28,220	25,693	.....	488,552
1895.....	20,317	403,380	16,053	33,927	.....	473,677
1896.....	16,345	527,840	27,215	78,611	.....	650,011
1897.....	17,260	538,048	25,860	90,326	.....	671,494
1898.....	10,715	561,411	36,480	76,055	.....	684,661
1899.....	16,930	609,875	18,055	78,379	.....	723,239
1900.....	20,371	824,496	27,201	94,127	.....	966,195
1901.....	20,633	768,012	17,373	152,789	.....	958,807
1902.....	24,642	1,007,197	28,532	162,829	.....	1,223,200
1903.....	24,743	1,015,342	49,383	158,521	19,704	1,267,693
1904.....	20,865	905,276	33,482	172,659	10,845	1,143,127
1905.....	16,866	845,021	19,513	49,390	.....	930,790
1906.....	15,721	774,530	46,399	146,887	20,019	1,003,556
1907.....	24,124	762,972	26,174	161,195	23,349	997,814
1908.....	12,633	878,411	20,095	183,847	21,961	1,116,947
1909.....	25,345	857,049	16,946	166,106	13,657	1,079,103
1910.....	17,895	662,718	27,612	146,576	60,462	915,263
1911.....	16,598	588,348	17,375	207,630	33,788	863,739
Total.....	368,985	13,311,806	523,634	2,212,304	203,785	16,620,514

The CHAIRMAN. Now, have you put in a statement, Captain, showing your capital stock and your permanent investments in Alaska?

Mr. MOSER. Yes.

The CHAIRMAN. And the value of the pack taken there? I would like that to cover several years.

Mr. MOSER. I will tell you what I have, Senator.

The CHAIRMAN. I know we have several of these things mentioned.

Mr. MOSER. You have already printed in the record our annual statement. That gives the stock and also our investment.

Now, I have here the profits year by year in a table of all of our packs each year, all of the profits, the average profits per year. I think you could work out the value from that. However, we will give you anything you want, Senator, if I know definitely what it is.

The CHAIRMAN. I would like to have a statement which will include your capital, which will show your wages paid, which will show your annual expenditures in Alaska and the pack which you take out. I want you to show your permanent investment there;

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means about \$2.50 a case. Capt. Moser, would not you think that would be right?

Mr. MOSER. Yes; in Bering Sea we fit out about 800,000 cases. Yes; I think that is very nearly it.

Mr. MADISON. It is very near that at any rate. We must make a contract with our employees before we leave San Francisco. We must make a contract, for instance, with the Chinamen or common laborers amounting as high as 55 cents per case. The superintendent and all those people are employed by the season, and if we do not pack one case that amount of money is absolutely lost. We have to pay it anyhow. I had an experience year before last of that kind. I lost a ship going up.

The CHAIRMAN. How did you lose the ship?

Mr. MADISON. She ran ashore in Unimak Pass. Those things we can not insure against. We can insure the actual property value, but the indirect loss it is impossible to insure; therefore, the fishing up there in the Bering Sea by the companies there is more hazardous and very much more expensive in proportion than it is in southern Alaska.

In southeastern Alaska they can go to work and build a cannery, and they can buy a limited quantity of cans, send them up on the steamer, fill them, and get their returns back in a short time, and in that way keep their money revolving, and it does not take much capital. It has been proven, especially last season, that they made a great deal more money than we do in the Bering Sea, or have for a great many years, because I want to tell you, Senator, these nine canneries I am speaking for here have not made 5 per cent on the money invested in the last 10 years, and therefore we think it is very unjust to tax us any more.

The CHAIRMAN. Do you people run any hatcheries?

Mr. MADISON. No, sir; because, in my judgment, it is impractical for an independent concern to run a hatchery in Bering Sea. That is something the Government should take hold of. With your permission I would like to make a few remarks on that subject. You can sometimes think better when you sit down and write them out, but I have just made a rough memorandum.

For instance, I have here something on the subject of taxation. You understand we are all in the Bering Sea and not anywhere else, and we all outfit in San Francisco, which makes it different from Washington and Oregon. We pay in the city and county of San Francisco taxes on all the vessels we own when registered in San Francisco. We pay State taxes.

Mr. WICKERSHAM. Can you tell how much you pay—what percentage?

Mr. MADISON. Well, the city and county taxes of San Francisco have been running around 2 per cent. They will be higher hereafter on account of the large bonded indebtedness incurred by that city.

The CHAIRMAN. On what basis?

Mr. MADISON. On about a 60 per cent valuation basis. It is an arbitrary assessment. We have nothing to say. They go to the customhouse records and take the age and condition of a vessel and assess on that basis. We pay State taxes on the corporation.

Mr. WICKERSHAM. How much do you pay there?

Mr. MADISON. That is also an arbitrary assessment. It is not very much. I think it runs somewhere around a couple of hundred dollars on a corporation of \$150,000 capital. We pay a State license tax on the corporation. That is \$75 a year, if I remember right. We pay a Government tax on the net earnings and we pay 4 cents per case to Alaska.

That is what we object to at the present. If this proposed bill becomes a law our taxes will be more than 10 per cent per annum on such valuations as are generally used for the purposes of taxation in cities, and a rate like that is entirely exorbitant, especially as not one cent of this money is to be used for the benefit of the parties who contribute it.

In other words, if this 5 and 11 cent tax—I will say 11 cents, because the other tax does not cut any figure with us—if that should be enacted we would be paying 10 per cent on an assessed valuation.

The CHAIRMAN. Do I understand that you make no objection to the 5-cent tax on pink salmon?

Mr. MADISON. No; if it is not more than 5 cents on red. It is the red I am here for, Senator.

The CHAIRMAN. All you can is red salmon?

Mr. MADISON. Yes; in other words, last year these nine canneries, five companies, packed a little over 200,000 cases of salmon and in that are about 8,000 cases of pink.

The CHAIRMAN. They are practically all red?

Mr. MADISON. Yes, sir; they are practically all red, and that situation is absolutely reversed in southeastern Alaska. Out of 200,000 pink you would not get over 10,000 red. It is just reversed.

The CHAIRMAN. That is, out of over 200,000 cases you only have about 10,000 red.

Mr. MADISON. Yes; in southeastern Alaska; it is reversed in Bering Sea.

I do not know what the captain's rate is, but it will run about the same.

Mr. MOSER. That is correct.

Mr. MADISON. We hope that the tax will not be increased at all. We think we are taxed enough, especially as we have made no money. My own company was started in 1900. I have been in the salmon business since 1890. My first company was sold out to Mr. Moser's company, and I started again. Since that time I personally have not made 4 per cent on my money, through accidents and misfortunes, on account of the loss of a ship, strikes, short packs, a thieving superintendent, and various other things. Those matters are facts so far as my own company is concerned, and the whole five companies have not made 5 per cent in the 10 or 15 years they have been in the business up there. They all started in about 1900.

The CHAIRMAN. Which is your company?

Mr. MADISON. The Alaska Salmon Co. Therefore, we hope that this bill will be so changed that our tax will not be materially increased.

Mr. WICKERSHAM. Before you pass that question I would like to ask you a question or two. How much do you sell a case of red salmon for after you bring it down to San Francisco and put it on the market? How much did you sell them for last year?

Mr. MADISON. \$1.60 a dozen; that is \$6.40 a case.

Mr. WICKERSHAM. \$6.40 a case?

Mr. MADISON. Four years ago we sold them for \$3.40 a case.

Mr. WICKERSHAM. Last year you sold them for \$6.40 a case.

Mr. MADISON. That was the only thing that saved us from making an actual loss, because the pack was so short.

Mr. WICKERSHAM. Now you have to pay 4 cents a case tax.

Mr. MADISON. Yes, sir.

Mr. WICKERSHAM. That is two-thirds of 1 per cent, is it not?

Mr. MADISON. Yes.

Mr. WICKERSHAM. That is all you pay to the government of Alaska, is it not?

Mr. MADISON. Yes.

Mr. WICKERSHAM. You do not pay anything on other property?

Mr. MADISON. No, sir.

Mr. WICKERSHAM. You pay nothing on your ships?

Mr. MADISON. No, sir.

Mr. WICKERSHAM. The 4-cent tax is all you pay to Alaska?

Mr. MADISON. Yes, sir.

Mr. WICKERSHAM. That is two-thirds of 1 per cent of the value?

Mr. MADISON. Yes, sir; but we have to pay these other things elsewhere.

Mr. WICKERSHAM. But that is not in Alaska.

Mr. MADISON. That is true. But will you guarantee us anything like that price this year?

Mr. WICKERSHAM. If I were losing as much as you are up in that country I would move down to southeastern Alaska.

Mr. MADISON. What they will do there this coming year we will know better in a year from now. I know some of them made 150 per cent on their investment last year.

Mr. WICKERSHAM. Who did that?

Mr. MADISON. I think a man by the name of Lindenberger.

Mr. WICKERSHAM. Where is his cannery?

Mr. MADISON. I do not know. Maybe Mr. Dorr knows.

Mr. DORR. He was in the mild curing business.

Mr. BOWER. The Lindenberger Packing Co. had a cannery at Roe Point, in southeast Alaska, last year.

Mr. DORR. His principal business is mild curing.

Mr. MADISON. He packed pink salmon last year.

Mr. WICKERSHAM. He packed pink salmon last year, did he?

Mr. MADISON. Yes.

The CHAIRMAN. You said he made 150 per cent last year.

Mr. MADISON. He made a lot of money. He made a barrel of money.

The CHAIRMAN. Did he make any more money proportionately than others in southeastern Alaska last year?

Mr. MADISON. I could hardly state that. He made out very well because he had a good location and everything went his way.

The CHAIRMAN. Proceed, Mr. Madison, in your own way, and present any argument you may have against an increase in this tax.

Mr. MADISON. We, of course, do not want to see the tax raised on red, or on pink, either. We would like to see it kept where it is; but if a change has to be made, a part of the revenue derived should be used for hatcheries in our locality. We have absolutely no hatcheries

up there and I do not believe there is anything but the Government that could take that initiative and start a hatchery up there.

The CHAIRMAN. How long has your company been in the location they now occupy?

Mr. MADISON. We have been there since 1900—most of us.

The CHAIRMAN. And you have been getting your fish at about the same rate each year; that is, in the same territory you have been fishing?

Mr. MADISON. Yes.

The CHAIRMAN. What do you notice with reference to the supply of fish?

Mr. MADISON. It is getting very much harder to get the fish than it used to be. It costs a great deal more money and more trouble.

The CHAIRMAN. The fish are getting scarcer?

Mr. MADISON. Yes; there is no question about that at all.

Mr. WICKERSHAM. About how much scarcer? To what extent do you have to go to new territory to get fish?

Mr. MADISON. We have to increase our fishing gear and fishing boats and apparatus by, I should say, at least 30 or 40 per cent of what it was six or eight years ago to get the same results. In other words, competition to get the fish has driven us all out in the ocean, whereas formerly we fished in the bay. Therefore it requires many more boats, tenders, and steamers, and everything else.

Mr. WICKERSHAM. How far out do you fish?

Mr. MADISON. From where my cannery is located, at the mouth of Wood River, we used to fish within a radius of 30 or 40 miles. Now I think we will have to fish from 75 to 100 miles. That is because of reducing the fish.

Mr. WICKERSHAM. How many more canneries are there in that same locality than there were when you first began operations?

Mr. MADISON. There are no more canneries than there were eight years ago.

Mr. WICKERSHAM. And you have to go double the distance to get the same amount of fish?

Mr. MADISON. Yes.

The CHAIRMAN. Is that a steady apparent decrease in the fish?

Mr. MADISON. Well, of course, the years vary somewhat; but it is becoming very much more troublesome to get the fish. We have to cover so much wider territory to get the same results.

Mr. WICKERSHAM. And there is no hatchery in that vicinity?

Mr. MADISON. None whatever in the Bering Sea.

Mr. MOSER. May I ask Mr. Madison a question?

The CHAIRMAN. Certainly, Capt. Moser.

Mr. MOSER. Are not the extra gear and the extra boats necessary because the number of people have increased who engage in fishing, and they go out farther and farther, one getting ahead of the other.

Mr. MADISON. Yes.

Mr. MOSER. And that makes extending the gear necessary. Would not the same number of fish be taken in the inside waters if the fishing gear was not extended out to the limit that it is now?

Mr. MADISON. Possibly we could agree about dividing the fish. That may be the result of it, but there is the same number of companies there that were there eight or nine years ago.

Mr. DORR. What is the whole number of companies fishing in the Nushagak?

Mr. MADISON. In the proper Nushagak there are really six companies. Each company has a number of canneries of course.

Mr. WICKERSHAM. How many canneries?

Mr. MADISON. There are about 19 all around there.

Mr. MOSER. In the Nushagak?

Mr. MADISON. That includes the upper arms. In the proper Nushagak there are eight or nine, something like that.

The CHAIRMAN. Now, Mr. Madison, let us just take your company. You have how many canneries?

Mr. MADISON. I have only one myself.

The CHAIRMAN. You have one cannery?

Mr. MADISON. Yes.

The CHAIRMAN. What is your permanent investment in Alaska?

Mr. MADISON. Including shipping you mean?

The CHAIRMAN. No, what I am getting at now is your property in Alaska.

Mr. MADISON. It is about \$85,000.

The CHAIRMAN. About \$85,000?

Mr. MADISON. Yes.

The CHAIRMAN. That is the value of your permanent investment there?

Mr. MADISON. Yes, sir.

The CHAIRMAN. And what is the value of the product that you take out of Alaska each year?

Mr. MADISON. Well, may I qualify that by saying that there are lots of other investments besides that, Senator. We have to have our ships, our steamers.

The CHAIRMAN. I will come to that directly, Mr. Madison. I just want to get your permanent investment in Alaska. You say that is about \$85,000. What is the product that you take out of Alaska?

Mr. MADISON. I presume it would average—you want an average?

The CHAIRMAN. Yes; unless you have figures for one particular year.

Mr. MADISON. Well, it would average anywhere from \$150,000 to \$250,000 a year. I should say \$200,000 a year.

The CHAIRMAN. About \$200,000 a year. Now how much of that is net profit?

Mr. MADISON. That varies very materially. If you want last year I can give that.

The CHAIRMAN. Take last year, for instance.

Mr. MADISON. We made \$20,000.

The CHAIRMAN. About \$20,000?

Mr. MADISON. Yes.

The CHAIRMAN. That was a large profit, was it not?

Mr. MADISON. No, sir; not very large.

The CHAIRMAN. Was that less than the average yearly profit?

Mr. MADISON. No; that is more than the average.

The CHAIRMAN. About what would be the yearly average profit?

Mr. MADISON. Well, taking the period of 10 years we have been up there—11 years—we have made less than 4 per cent on our investment.

Mr. WICKERSHAM. That is because of the loss of the ship.

The CHAIRMAN. What is your total investment?

Mr. MADISON. \$140,000.

The CHAIRMAN. That includes your \$85,000 permanent investment in Alaska and then all of your other investment—fishing tackle, ships, and so on?

Mr. MADISON. Yes, sir.

The CHAIRMAN. During that time you lost one ship?

Mr. MADISON. Yes, sir.

The CHAIRMAN. What was that ship worth?

Mr. MADISON. Beyond our insurance we lost close to \$40,000.

The CHAIRMAN. You have replaced that ship?

Mr. MADISON. Yes, sir.

The CHAIRMAN. By another one?

Mr. MADISON. Yes, sir.

The CHAIRMAN. How much did that cost you?

Mr. MADISON. Well, the ship did not cost so very much. About \$15,000, but the actual loss in the wrecking of that ship to the company was close to \$40,000 that we could not insure.

The CHAIRMAN. This ship that you bought in place of the one you lost, you paid for that?

Mr. MADISON. Yes, sir.

The CHAIRMAN (continuing). Out of the proceeds that you got from Alaska?

Mr. MADISON. Out of the insurance money.

The CHAIRMAN. How much have you in investments outside of your permanent investment in Alaska?

Mr. MADISON. About \$60,000; \$50,000 or \$60,000.

The CHAIRMAN. What does that consist of?

Mr. MADISON. Two steamers. One goes up and down every year and one we keep up there.

The CHAIRMAN. You keep one there all the time?

Mr. MADISON. Yes, sir; we lay her up over winter.

The CHAIRMAN. That steamer was not included in your permanent Alaska investment?

Mr. MADISON. No.

The CHAIRMAN. How much is that vessel worth?

Mr. MADISON. About \$15,000 or \$20,000.

The CHAIRMAN. Do you have seine and tackle?

Mr. MADISON. Yes; fishing gear of all kinds.

The CHAIRMAN. You take that up, I suppose, every year?

Mr. MADISON. It has to be renewed, most of it, every year.

The CHAIRMAN. You have to renew the greater part of it every year?

Mr. MADISON. Yes, sir.

The CHAIRMAN. What is your investment in seines each year?

Mr. MADISON. We do not seine; we use gill nets.

The CHAIRMAN. Well, then, what is your investment in gill nets?

Mr. MADISON. In my cannery, about \$5,000 or \$6,000.

The CHAIRMAN. So that you have to invest practically all of that amount every year?

Mr. MADISON. Yes, sir.

The CHAIRMAN. How much do you have to advance each year for labor and material and supplies?

Mr. MADISON. Before we leave? About \$2.50 a case when we fit out—about \$125,000.

The CHAIRMAN. What does your contract for labor amount to?

Mr. MADISON. Well, with the Chinamen, that amounts to \$25,000 in round figures.

The CHAIRMAN. I suppose your contract as has already been testified to here. You make a contract with a contractor who agrees to furnish you labor to put up at a minimum so many cans?

Mr. MADISON. Yes, sir.

The CHAIRMAN. What is the minimum you contract for?

Mr. MADISON. Forty-four thousand cases.

The CHAIRMAN. That is, you have to pay the labor for 44,000 cases, whether you get that amount or not?

Mr. MADISON. Yes; at 55 cents per case. Then there is something more; the foremen and the testers get paid outside of that.

The CHAIRMAN. How do you pay them?

Mr. MADISON. The foreman I think gets \$100 a month as near as I can remember and the testers \$75 a month. That is about the uniform price. Is not that what it would be?

Mr. MOSER. I think near that. I have not the figures.

The CHAIRMAN. You pay them by the month then, rather than by the season?

Mr. MADISON. Yes; that is in addition to the 55 cents.

The CHAIRMAN. The \$85,000 investment in Alaska is permanent. You do not renew that every year, do you?

Mr. MADISON. Oh, no. It stays there all the time; that is the buildings and machinery.

The CHAIRMAN. Your investment in ships is only one investment unless a ship is lost?

Mr. MADISON. Yes.

The CHAIRMAN. What is the capital stock of your company?

Mr. MADISON. We paid in \$125,000 and then we paid an assessment, so that we paid \$140,000.

The CHAIRMAN. Is your stock fully paid?

Mr. MADISON. No.

The CHAIRMAN. What is the amount of the stock? What is your capitalization?

Mr. MADISON. \$200,000.

The CHAIRMAN. And about \$140,000 has been paid in?

Mr. MADISON. Yes, sir.

The CHAIRMAN. Now, when you say you have averaged about 4 or 5 per cent profit, do you mean 4 or 5 per cent profit on the \$200,000 worth of stock?

Mr. MADISON. No, sir; I mean on what has been paid in.

The CHAIRMAN. That is on the \$140,000?

Mr. MADISON. On the actual money; yes, sir.

The CHAIRMAN. Is there anything further you would like to state?

Mr. MADISON. Yes, sir. On this question of conservation I would like to submit a little item that I know of; and also on propagation.

The CHAIRMAN. I do not believe we got from you about how many cases your company puts up a year.

Mr. MADISON. We fit out for 50,000 cases.

The CHAIRMAN. You fit out for 50,000 cases?

Mr. MADISON. Yes, sir.

The CHAIRMAN. And have you been canning that many?

Mr. MADISON. Last year we got 22,000, and it was by getting a good big price that we did not lose some money, which the market warranted, because there was a big demand for it. In fact my fish were sold long before they ever reached San Francisco.

The CHAIRMAN. You have been running over 50,000 cases?

Mr. MADISON. No, never. Forty-six thousand was the highest pack that I ever had.

The CHAIRMAN. What has been about the average; take for 10 years?

Mr. MADISON. Well, one year, of course, we did not pack on account of the loss of the ship. We have averaged not exceeding 35,000; possibly 32,000 would be nearer an average.

The CHAIRMAN. Why do you fit out for 50,000?

Mr. MADISON. In the hope of getting it some year, Senator, because I may play even.

Now, I want to state in behalf of the North Alaska Salmon Co. that their five canneries last year packed 95,000 cases, and if they had not got a good big price they would have lost considerable money.

The CHAIRMAN. What has been their highest pack during any one year during the last ten years?

Mr. MADISON. I think they had about 190,000 one year. Do you know, Captain?

Mr. MOSER. I think that is about it.

The CHAIRMAN. Now, I will just ask this general question about the companies you are speaking for: Does their permanent investment in Alaska compare about the same as yours?

Mr. MADISON. I think it is fully as much. In fact, I can tell you exactly if you wish to know. The North Alaska Salmon Co., with their five canneries, has \$791,000 invested.

The CHAIRMAN. Is that permanent investment in Alaska?

Mr. MADISON. And vessels.

The CHAIRMAN. Does it include vessels?

Mr. MADISON. Do you desire to have it separate?

The CHAIRMAN. Yes; we desire to have it separate.

Mr. MADISON. They have \$576,000 in Alaska; \$215,000 in ships.

The CHAIRMAN. Are those ships used for any other purpose in connection with the Alaska fisheries?

Mr. MADISON. No, sir; absolutely none.

The CHAIRMAN. That is, when they are not in Alaska, are they put to any other use?

Mr. MADISON. They can not very well be, because they are fitted up for that purpose. The hold is built up with bunks for the men to sleep in, galleys to cook in, and all those things. It would simply cost a fortune to change them over. You could not do that.

The Red Salmon Canning Co. has \$56,000 in Alaska and \$39,000 in vessels.

Mr. WICKERSHAM. What company is that?

Mr. MADISON. The Red Salmon Canning Co.

The Naknek Packing, \$123,000 in Alaska; \$52,000 in vessels. The Bristol Packing Co., \$115,000 in Alaska; \$30,000 in vessels.

The Alaska Salmon Co.—I have it here, \$100,000 in Alaska, which would include the steamer that we have in Alaska and that is left up there over winter and about \$40,000 in money in bank, and the vessel

in San Francisco. You have got to have some money in this business, too. You can not run it without money.

That makes a total of \$970,000 investment and \$376,000 in ships and steamers.

Mr. WICKERSHAM. And if the price had not been big last year you would not have made any money?

Mr. MADISON. We would have lost money. Yes, sir.

Mr. WICKERSHAM. Why?

Mr. MADISON. It is the natural result.

Mr. WICKERSHAM. You did not get a large pack?

Mr. MADISON. That is it.

Mr. WICKERSHAM. Why did you not make a large pack?

Mr. MADISON. The fish were not there. You could not get them.

Mr. WICKERSHAM. Why were not the fish there?

Mr. MADISON. I can not tell you, except that I think the stock is being reduced.

Mr. WICKERSHAM. There is need for a hatchery up there, is there not?

Mr. MADISON. Absolutely.

The CHAIRMAN. Take year before last, what was your pack?

Mr. MADISON. I think year before last is the year I lost my ship.

The CHAIRMAN. How did the pack of the other companies compare with the pack last year?

Mr. MADISON. They had a full pack that year. Is not that right, Captain?

Mr. MOSER. I think not; last year was a half pack; less than half pack.

Mr. MADISON. The year before I had 38,000 cases, if I remember rightly, and it was the year before that that I lost the ship; but that year they sold at considerable less money—\$1.35 a dozen; \$5.40 a case, as against \$6.40 a case—and if we get \$5 this year, as I think we will, we will be doing pretty well.

Senator, I would like to give you my views on the propagation and conservation question. I am firmly of the opinion that one of the best investments this Government could make would be the establishing of hatcheries wherever feasible all over Alaska to help perpetuate this stream of wealth which flows to all parts of the country from the fishing industry in that Territory. The fishing industry is like a gold mine; it is all new wealth created. Most of our product goes to foreign countries and a demand has been built up not only for our canned products, but also for our salted salmon, which of late years has become an article for export in large proportions. I presume your attention has been called to that fact. I am packing some salmon in California also, at Monterey, and every pound has been shipped to Germany direct, salted, mild cured, and smoked, and there is not carloads, but almost trainloads, of it going to Germany.

Mr. WICKERSHAM. From where?

Mr. MADISON. From all over Puget Sound and California, and some from Alaska. From southern Alaska they have recently been sending it to Europe.

Mr. WICKERSHAM. That is in the Ketchikan country?

Mr. MADISON. Yes, sir; around there.

Therefore any money expended in that direction is well invested, and the building of hatcheries will undoubtedly guarantee the perpetual propagation of the salmon in Alaska, and, being especially interested in the Bering Sea, there should be several large hatcheries built there.

That part of Alaska produces the most valuable salmon in the Territory and has proved the natural and best place for the salmon. The record will show that by far the largest percentage of red salmon caught in the last 20 years have come from that district. I simply want to ask you to remember that in the Bering Sea and in the Nushagak especially, the early canning was started. In fact it was started there before it was in a great many other places, and that district has been producing fairly good results right up to this time. Therefore, it would occur to me that that would be a good place to establish hatcheries, as it has been shown the salmon naturally thrive there and perpetuate themselves if only given a chance.

The CHAIRMAN. Have they not had very much of a chance during the last 10 years?

Mr. MADISON. They have not had the proper chance, and one of the great objections to that has been traps. Until two or three years ago Wood River was spanned with traps. It is true there was a law that they could only go two-thirds the width of the stream and only so near together, but you imagine a stream—here is a trap out on that side and another one on this side, and so on all the way up. The salmon may be intelligent, but he is not wise enough to dodge all those traps. Therefore the fish have not been given a chance, and there is your only point in conservation that I have heard and read a good deal about.

On that subject I want to say this, that I much agree with the governor of Alaska in comment on it, stated about as follows:

In my judgment the stopping of all trap fishing, especially stationary traps, would do more toward conserving the salmon than any other thing that could be done to conserve the national propagation, it being a well-known fact that the instinct of the salmon is to run in certain channels and peculiar ways, and the traps as a rule are placed where it is known the salmon run the strongest, and that obstruction of a trap should not be put in their way to their natural spawning grounds after they have escaped all the gill nets, purse seines, and other fishing gear that is now being used at the entrance and outside of the river.

The CHAIRMAN. They have a pretty hard time to miss all that.

Mr. MADISON. That is my view on conservation, Senator, and on hatcheries.

The CHAIRMAN. You would stop the use of stationary traps?

Mr. MADISON. I would stop the use of stationary traps, and the floating traps are not very much better, because they are moved in to meet the salmon wherever they go.

Mr. WICKERSHAM. Are there any stationary traps now in Wood River?

Mr. MADISON. The river is closed, as you know.

The CHAIRMAN. How long has it been closed?

Mr. MADISON. About three years. It is closed 500 yards outside the mouth of the river.

The CHAIRMAN. Have you noticed any improvement since it was closed?

Mr. MADISON. Outside, you mean?

The CHAIRMAN. Have you made any observation in the streams, or can you state whether there are more fish going up now than there were before the river was closed?

Mr. MADISON. The department had experts up there last year testing that matter on the Nushagak River. I tendered them my launch and my boats to find out. What their results are the doctor can tell us.

The CHAIRMAN. What can you tell us about that, Doctor?

Dr. EVERMANN. Mr. Chairman, I have not the figures here, but I think I can give the results in a general way, in round numbers.

As Mr. Madison has just said, Wood River was closed to all commercial fishing four years ago by the Secretary of Commerce and Labor. When it was decided to close the stream, certain of the packing interests in that region offered to cooperate with the department in conducting an investigation for the purpose of determining the number of salmon which naturally go up that stream for spawning purposes. We sent men to Wood River first, in the season of 1908, and two of the largest canning companies interested there cooperated with the department, and shared the expense with the department.

We raked the stream, putting in webbing which would intercept all the fish going up the stream; we provided a passage way in a certain place which could be opened or closed, and through which the fish might pass, and arranged for the counting of the fish as they passed through that opening. One man stood at that place and after a little experience and observation it was found to be a very easy matter to count the fish. The gentleman who carried on that experiment said that it was marvelous to see how regularly the fish passed through. They filed through just like soldiers. There was no crowding, pushing, or hustling each other out of the way; but they came along in military style. The count in 1908 was 2,600,000.

The CHAIRMAN. Two million six hundred thousand.

Dr. EVERMANN. Two million six hundred thousand that actually went through that opening and up Wood River to the spawning bed.

The count in the next year, 1909, was 893,000, a falling off of 1,800,000. The next year, 1910, the count was 670,000, a falling off of 223,000. The count for 1911 I have not here.

Mr. BOWER. It was several hundred thousand less. It was about 354,000.

Dr. EVERMANN. It was considerably lower than in any previous year.

The CHAIRMAN. The longer it was closed the fewer fish went up?

Dr. EVERMANN. Yes, sir.

Mr. MOSER. Is not that due to this fact: It was not the fish which preceded them or their progeny, but it is the progeny of other fish five or six or seven years ago. They come in through different periods and may it not be possible that there are periods of large runs and small runs the same as on Puget Sound?

The CHAIRMAN. That may be possible. What struck my mind was that it began to operate the same as our reclamation work—as soon as we put in the reclamation work the rain begins to fall.

Dr. EVERMANN. The number of fish that went up the river in 1909 had nothing whatever to do with the number that went up in 1908.

The CHAIRMAN. I understand that.

Dr. EVERMANN. The number that went up in 1909 was determined by the number that went up in 1905 perhaps, and so on—four years in every case.

It is interesting to compare these figures with the number of fish caught in the Nushagak Bay region in each of those years. The number escaping in 1908 was, as I have said, 2,600,000; the number caught there was 6,400,000. The number escaping in 1909 was 893,000; the number caught was 4,900,000. The number escaping in 1910 was 670,000; the number caught was 4,400,000. The number escaping in 1911 was 350,000, while the number caught was 2,846,000.

The experiment will be continued this year, at least, and as this will be the fifth year of the experiment we are expecting interesting and valuable results, because, if there is anything in this four-year theory, of the 2,600,000 which went to the spawning beds in 1908 and spawned, their progeny should come back this year, and we will have an important fact; to this effect—that as the result of the spawning of 2,600,000 fish in 1908 so many fish came back in 1912. We can say that as the result of the spawning of 2,600,000 fish in 1908 there came back so many in 1912, so many of which were caught and so many went up the stream.

I may take this opportunity to say that in my judgment this is one of the most important experiments or investigations that the bureau has ever undertaken, and I feel so confident as to the value of the result which we shall finally get as to justify me in saying that if we could work out the ratio between the number of salmon in a stream and the number which come back four years later and five years later, we could completely revolutionize the whole method of salmon catching.

If we should find, for instance, that 2,600,000 spawning fish in a certain year would send back four years later 6,000,000 fish, we could say “Let 2,600,000 fish go on to spawn naturally and catch all the rest, or 3,400,000. Then you could rack a stream and let a certain percentage through each day and let the packers catch the others. The next day you could do the same thing. I believe that experiments like this will enable us to determine what sized run of salmon will result from a given number of breeding fish. And from that we can tell what percentage of the run may be caught without diminishing the supply.

The CHAIRMAN. You ought to keep that count up I should think a couple of years yet.

Dr. EVERMANN. We would like very much, Senator, to continue it quite awhile yet. We realize that it is asking a good deal of the packers to have them share the expense. It has cost them a good deal of money and they have been very liberal.

The CHAIRMAN. You are right at the point of determining critical results. Of course, you are not sure that these fish come back in just four years. They might come back in five years.

Dr. EVERMANN. For that reason we should continue the experiment for a number of years.

Mr. MADISON. What was the result in the Nushagak? This is Wood River you are speaking of?

Dr. EVERMANN. The catch I am giving here is in the Nushagak region.

Mr. MADISON. What you are talking about is Wood River. What was your result at Nushagak River?

Dr. EVERMANN. We have no counts in any stream except Wood River.

Mr. MADISON. Your people were up at Nushagak?

Dr. EVERMANN. We have made some preliminary examination of the Nushagak, but no definite count of the fish entering that stream has been made. Owing to the large size of the Nushagak and its muddy water that stream is not so good for an experiment of this kind.

Mr. DORR. The wood River and Nushagak River proper come to a confluence at the head of Nushagak Bay, do they not, Doctor?

Dr. EVERMANN. Yes, sir.

Mr. MOSER. It has not been found feasible, as I understand the proposition. We have joined with the Bureau of Fisheries in counting these fish for the last four years. This is the fifth year.

An effort also has been made to count the fish in the Nushagak River. It is a very different proposition there. The stream is very much larger and the topographic features do not lend themselves to it. At Wood River, at the outlet of the lake, there is a natural basin. The lake contracts very materially and forms a natural basin and lends itself excellently well to the purpose of counting the fish. It is an easy matter.

The Nushagak is a great wide river, and it would be an exceedingly difficult proposition to arrange any racks to count the fish going through there.

Mr. DORR. It is closed to commercial fishing.

Mr. MOSER. I should like to say, at least in connection with this fishing, that it depends very materially upon the question as to whether fish will return to the parent stream or not, whether their numbers are increased four years from the original date—that is, four years from 1908. My own idea, as I have expressed it in my hearing, is that the fish are influenced very materially by temperatures and winds and ice movements. While naturally we feel very much interested in this subject, we doubt whether we will have the results from it that are expected.

Mr. WICKERSHAM. You think some of them may reach other streams within a considerable distance?

Mr. MOSER. There is no question about it in my mind.

Mr. MADISON. There is no doubt about it, especially in the Bering Sea region.

Dr. EVERMANN. Mr. Chairman, in the long run, winds and climatic conditions, and so forth, are uniform.

The CHAIRMAN. Fish from other districts might be driven into this territory too.

Dr. EVERMANN. In the long run conditions are uniform; so that whether all the fish come back to the stream on which you are conducting this experiment or not does not make a particle of difference. In the long run approximately the same proportion will come back, so that if the experiment is conducted over a reasonable number of years so as to cover temporary fluctuations we will have determined the facts, we will then have the principle and can establish the ratio. As Capt. Moser said, regarding the large streams of the Nushagak,

it is impracticable to conduct experiments of this kind on a stream of that character. The stream is too large; the water is not clear enough, and you can not count the fish; but it is practicable to conduct such investigations as this on a considerable number of the smaller streams in Alaska, particularly those which flow from different near-by lakes. The Chignik is one which I imagine could be studied in this way. One of the very best in Alaska would be the Karluk if it were not for the existence of the hatchery there, which would complicate the situation. That would be an ideal stream on which to conduct an experiment of this kind. Alitak would be a fairly good place.

Mr. MADISON. There is none better than the Karluk.

Dr. EVERMANN. Karluk is the best I know of. Then, in southeast Alaska there is a considerable number of smaller streams on which an investigation of this kind could be conducted. When this matter was first taken up, I was under the impression that it would be absolutely essential to get the best results to have an isolated stream, that is, one without any near-by streams. I am inclined to think now that that is not necessary.

Take the Bristol Bay region, for instance. Take the experiment on Wood River. Ignoring all the other rivers of the Bristol Bay region and by conducting the experiment on Wood River we get the result from a fairly constant factor and we can assume that the various other rivers in that region are also constant factors, so that if we have the number going up Wood River and the number caught each year we can establish the ratio by simply calling the quantity going up all other streams X, if you wish, so we shall have the run in Wood River plus X plus the number caught as the total natural reproduction in the whole region, assuming the output in all the other rivers will remain approximately constant, and we then know what number in Wood River is necessary to keep the catch up to a certain point. We have then determined the ratio of number of spawning fish to the number that may be safely caught.

The CHAIRMAN. Doctor, I think it would be interesting here to have a statement of what it has cost to carry on that counting there and what the companies have contributed.

Dr. EVERMANN. I shall be glad to furnish those figures. I think we can give them; but we have not them on hand here.

Mr. WICKERSHAM. Doctor, in 1908 there were 2,600,000 fish which went up Wood River. The next year 800,000 went up the river, and the next year——

Dr. EVERMANN. Six hundred and seventy thousand.

Mr. WICKERSHAM. Last year, you do not know how many?

Dr. EVERMANN. Something like 350,000.

Mr. WICKERSHAM. May not the diminution in the number of fish going up Wood River result from overfishing?

Dr. EVERMANN. Some light can be thrown upon that question by taking the totals for the three years. The total of the escape and the catch in 1908 was 9,000,000. In 1909 it was 7,930,000; in 1910 it was 7,000,000; 1911, we have not the figures, but it is a decrease.

The CHAIRMAN. But the fishing that would have the effect of diminishing the number of fish available these later years would have occurred just before the period you began to count, so that you can

not tell as to the extent of the injury done by the fishing for the past few years?

Mr. MADISON. Let me explain, Senator. The way it would appear to me is this: In 1910, if this four-year theory holds, the pack of four years back would be 1906. That year the Wood River was chockablock full of traps, and if the four-year theory holds good that would demonstrate that the fish could not get up four years before that time.

The CHAIRMAN. That was the point I had in mind. In 1908, when 2,000,000 fish went up, that would indicate that in 1904 you did not get so many?

Mr. MADISON. No; that is exactly right. There were not so many traps in 1902, 1903, and 1904 as there were in 1906, 1907, and 1908. When they closed Wood River they were strung across from the entrance to the river up to the lake practically, and I maintain, without fear of contradiction, that some people killed the goose that laid the golden egg up there, and unless some steps are taken to stop that you are going to kill it entirely, and I hope the Government will take such steps in the way of propagation with hatcheries. I do not say the hatchery does it altogether, but it has some influence.

Mr. WICKERSHAM. You say traps?

Mr. MADISON. I say traps. The stream had so many traps that I do not think the fish were given a chance.

Mr. WICKERSHAM. Is there any wastage in the trap fishing?

Mr. MADISON. That has been claimed, but I do not want to make that assertion here.

Mr. WICKERSHAM. Why not?

Mr. MADISON. Because I have not the proof, and I do not want to state things that I do not know of my own knowledge. It has been stated that those traps pull the fish so fast that the canneries could not use them, and after they have been in the traps a day or so we know the salmon are no good.

Mr. WICKERSHAM. Did you ever see anything of that kind?

Mr. MADISON. I never have.

Mr. DORR. I would like to ask Mr. Madison a couple of questions, with the permission of the chairman.

The CHAIRMAN. Go ahead, Mr. Dorr.

Mr. DORR. You spoke awhile ago about the price the salmon were sold for Mr. Madison. Do you sell it direct or is it sold through brokers?

Mr. MADISON. Well, I sell my own salmon. Of course brokers back East here get a commission for selling it. I do not employ any brokers on the coast.

Mr. DORR. What is the customary brokerage which is paid for selling salmon?

Mr. MADISON. It has generally been 2½ per cent. I am paying 2 myself on the coast.

Mr. DORR. It is a fact, is it not, that most of the salmon are sold that way?

Mr. MADISON. I think that is right. I am spending that much. I have been in the fruit-canning business and in the dried-fruit business also, and I have my own brokers so I did not have to employ anybody on the coast.

Mr. DORR. Ordinarily they pay 5 per cent?

Mr. MADISON. Yes, sir.

Mr. DORR. Is not there a cash discount also?

Mr. MADISON. Yes, sir; $1\frac{1}{2}$ per cent.

Mr. DORR. So that 5 per cent goes to these brokers for their services?

Mr. MADISON. My office expense amounts to the same thing; so that it is practically a stand-off.

Mr. DORR. These prices are the coast prices at the rail terminals in the States and not Alaska?

Mr. MADISON. They are gross. Yes.

Mr. DORR. One more question. Do you fish with traps yourself?

Mr. MADISON. No, sir.

Mr. DORR. Do any of the companies you represent fish with traps?

Mr. MADISON. No, sir.

The CHAIRMAN. Mr. Madison, are there any other suggestions you desire to make?

Mr. MADISON. The only thing I would like to ask is that the rate of taxation be not increased, Senator. If you, in your wisdom, find it necessary to increase it, I hope you will increase it as little as possible and that you will give us some of that money in the shape of hatcheries in the Bering Sea. There is not one of the companies I speak for but that would willingly contribute toward hatcheries in the Bering Sea, provided it could be expended under Government supervision or by the Government. We do not think that private hatcheries in the Bering Sea are practical for the reason that there are various objections, and it is a much bigger undertaking, as I understand it, in the Bering Sea than farther south. Climatic conditions are different; the hatcheries have to be artificially heated part of the time; and there are a good many things in connection with that that Dr. Evermann can tell you about very much better than I could; but we hope that the tax will remain the same as it is on red salmon; but if you find that it has to be increased, that you make it as little as possible and then that you give a part of it back to us in the shape of a hatchery or two in the Bering Sea.

None of the other parts of the bill we particularly object to. All of the details and points that I heard stated by Capt. Moser I agree with.

Mr. WICKERSHAM. Captain, would you be willing to have the 4 cents per case abated and knocked off and pay the same ratio of taxation on your permanent investment and your other property in Alaska that you pay in San Francisco?

Mr. MADISON. Yes, sir; on an assessed valuation.

Mr. WICKERSHAM. On its cash value?

Mr. MADISON. Yes, sir; we do not object to paying our taxes anywhere.

The CHAIRMAN. Well, then Mr. Madison, if that is all——

Mr. MADISON. I think that is all that I can submit to you.

The CHAIRMAN. If there is anything else you can think of that you would like to have in the record, if you will submit it in writing I will have it included.

Mr. MADISON. Thank you very much, Senator. I also wish to express my appreciation of your courtesy in holding this night session.

I just want to also mention the fact that I heard Capt. Moser this morning speak of the Russian fishing, which eventually is going to

cause America some trouble. It is going to cause us this trouble: We will have a hard competitor. It may bring it down to a point where we can not even operate our canneries in Alaska. Where you get your labor over there for 10 cents a day, we have to pay a dollar for it, and the only reason in my judgment that there has not been a large number of canneries over there is the instability of the Russian Government.

Some friends of mine got a concession over there some years ago to build a cannery on the Amur River, or at the mouth of the Amur River. When they got ready to start, the governor of that Province was removed. Of course this is hearsay, and I would not like for it to go into the record; but I want to tell you what was told me, and I think it is true.

The CHAIRMAN. The record will show that it is hearsay.

Mr. MADISON. They had to pay some money to this governor who was recalled and from whom they got this concession for that district.

The CHAIRMAN. They evidently have the recall in operation over there.

Mr. MADISON. I guess they must have it without any referendum either.

Mr. WICKERSHAM. Do they do that because the fishermen pay them money on the side?

Mr. MADISON. It was on the theory that this was advanced on account of renting the streams. A new governor was appointed and he would not stand for the deal and he wanted to be bought again, and they got afraid this recall would happen too often and they quit the job. I know that is pretty near being true, because I had a few dollars in it myself, and I know we gave it up and I lost.

The CHAIRMAN. Do you know what the terms of this concession were?

Mr. MADISON. No, I do not, as to the details. The company was to be permitted to operate a cannery there.

The CHAIRMAN. Did they have an exclusive right?

Mr. MADISON. I rather think they did, but that does not cut much figure. The Amur River is so immense that there would not be any such need for that; at least not for a long time. You could put up all kinds of canneries there and I do not think it would be noticed.

If there was any stability to that concession business there or the rights of fishing, I would not hesitate to put money into a cannery over there because you could make it pay handsomely. You can get your material so very much cheaper. You can buy tin plate 25 or 30 per cent less than we can here. You can buy the English plate on which we must pay a duty coming into this country, and you get your labor over there and everything else in proportion very much cheaper. I presume you could pack salmon over there for not exceeding one-half what it cost us here and send it from there direct to Europe.

The CHAIRMAN. Do you know what this company had to pay to the Russian governor or authorities?

Mr. MADISON. No; I have no idea. I know there was some money spent and we lost it, but where it went I can not tell you.

The CHAIRMAN. What I had in mind was what would probably be public information, as to what was paid to the Government.

Mr. MADISON. No, I do not think anything was paid to the Russian Government.

The CHAIRMAN. For the concession?

Mr. WICKERSHAM. It was like Alaska.

Mr. MADISON. I think it was paid to somebody else than the Government.

Mr. WICKERSHAM. It was simply a local perquisite?

Mr. MADISON. In other words, it was a tip to somebody. That is a competition we have to reckon with, however. There is no doubt of that.

Mr. WICKERSHAM. There is no doubt about the supply of fish over there.

Mr. MADISON. Not for a long time to come. They have a great many large streams and they all seem to carry a great many salmon from the general knowledge we have of them. I think Capt. Moser and Mr. Dorr know more about it than I do. The captain gave you some figures in regard to that. What I know I have learned in a general way. I have been in the shipping business many years and I have talked with captains who have been over there. In fact I have been in the salmon business even longer than my worthy friend here. I have heard something about it.

Mr. MOSER. May I say a word before we leave this subject, in reference to the Wood River investigation. I agree with Dr. Evermann perfectly that a long series of observations would give a very good average condition, but that would have to extend over a considerable time. I believe, as I think I have repeatedly brought out in the hearings here, that the fish may be scattered over a wide area.

The CHAIRMAN. I think your views, Captain, in regard to that are pretty plainly stated in the record.

Mr. MOSER. I want to say this, however: The last three years have been ice years in Bering Sea and Bristol Bay. For the last three years we have had ice fields to contend with, and our vessels have been greatly delayed. I believe those ice fields have had something to do with the short runs of salmon in that locality and that probably a series of observations extending over many years, I should say not less than 15 years, might give some results, but I do not believe any period shorter than that would.

The CHAIRMAN. Do you believe that these experiments ought to be continued there for a sufficient length of time to reach pretty definite conclusions as to what the results are?

Mr. MOSER. I think, Senator, the schools of salmon lay off, as have said here before, the edge of the continental plateau somewhere and not in Bering Sea; and I think when the on-shore movement commences that they have to pass through the passes between the Aleutian Islands, and if the conditions there are not favorable, millions of fish may move elsewhere.

Mr. MADISON. A strong wind holds them back. May I ask Capt. Moser a question, Senator? What do you think about hatcheries in the Bering Sea, both of you gentlemen?

Mr. MOSER. We have urged hatcheries in Bering Sea for a number of years, and when these investigations at Wood River were commenced it was at least with the verbal understanding that the Bureau of Fisheries would do everything in their power to give us a hatchery

on Wood River. It is not necessary to say that we have not got it yet. I think I mentioned here once before that there is great difficulty in maintaining a hatchery on Wood River or any other point in Bering Sea, owing to the difficulties attending communication there.

The CHAIRMAN. I imagine if the bureau had the power they would have put one there.

Mr. DORR. There is a bill now pending in the House of Representatives, I believe, for a hatchery—an appropriation for a hatchery on Wood River.

Mr. MOSER. I was wondering whether Senator Jones would not introduce it in the Senate.

Dr. EVERMANN. A bill has been introduced in the House by Representative Kahn.

Mr. MADISON. It would be the best investment this Government could make in hatcheries and it would pay one hundred fold.

Mr. MOSER. I think Judge Wickersham might interest himself in that bill in the committee and give it a helping hand.

The CHAIRMAN. Now, then, Mr. Dorr, are you ready to proceed?

Mr. DORR. I am ready to start, if you desire.

The CHAIRMAN. All right.

Mr. MADISON. I appreciate the hearing, Senator, you have given me this evening.

STATEMENT OF MR. CHARLES W. DORR, OF SEATTLE, WASH., REPRESENTING CERTAIN SALMON PACKERS OPERATING IN ALASKA, WITH HEADQUARTERS ON PUGET SOUND.

Mr. DORR. Mr. Chairman, in this hearing I have been requested especially to represent the following-named canneries engaged in the salmon canning business in Alaska with headquarters on Puget Sound.

The CHAIRMAN. I think it might be well, Mr. Dorr, to give as much information as you can in regard to each company as you name them, as to its capital stock and the number of canneries it operates.

Mr. DORR. In these hearings I represent the following-named companies:

Names.	Location.	Approximate pack, 1911.
		Cases.
Alaska Fish Co.....	Floating cannery.....	43,000
Alaska-Pacific fisheries.....	Haines.....	25,000
Do.....	Yes Bay.....	68,000
Do.....	Chomly.....	53,000
Deep Sea Salmon Co.....	Ford Arm.....	21,000
Hawk Fish Co.....	Hawk Inlet.....	26,000
The Kasaan Co.....	Kasaan.....	72,000
Geo. T. Myers & Co.....	Sitkoh Bay.....	98,000
Pillar Bay Packing Co.....	Point Ellis.....	41,000
Pacific-American Fisheries.....	Excursion Inlet.....	85,000
Do.....	Kings Cove.....	26,000
Seldovia Salmon Co.....	Cook Inlet.....	12,000
Shakan Salmon Co.....	Shakan.....	66,000
Taku Canning & Cold Storage Co.....	Taku Harbor.....	50,000
Yakutak & Southern Ry. Co.....	Yakutak.....	53,000
Total for these companies.....		739,000
Total for all Alaska.....		2,800,000

These companies, with the exception of the Pacific-American and the Saldovia Salmon Co., confine their operations to southeastern Alaska, and their principal product is from the cheaper grades of salmon.

These companies are all relatively small, so far as their operations in Alaska are concerned. The Pacific-American is not a small company in itself, but it operates principally on Puget Sound. It is the principal factor there in the canning of sockeye salmon, but in Alaska it is not a large factor.

Mr. BROWNE. These are all independent companies, are they not?

Mr. DORR. They are all independent of each other. There are only two of them out of the list, I think, that operate and own more than one single cannery.

Now, with reference to the first section of the bill. That is the section, of course, that relates to the taxation.

I have some data that have been compiled, which I desire to submit, showing prices, costs, and so forth, and in a general way, before submitting that data, I would like to state in addition to what the other gentlemen who have preceded me have said with reference to their taxes on the outside—that is, outside of Alaska, which all apply to these canners, equally to those who are represented by the other gentlemen—that there is still another very important tax element to be taken account of in this consideration which has not been mentioned. That is the taxes assessed in the States upon the entire pack after it is manufactured and comes out of Alaska.

Thus far we have only heard of taxes upon fixed property, including corporation licenses, franchise, taxes, and the like, and including, of course, the Government income tax of 1 per cent, which applies to all corporations where they earn more than \$5,000 a year; but of this entire pack of salmon which comes out of Alaska in the fall very little of it goes into consumption until the next summer. Therefore it is taxed somewhere. If it remains in Seattle, as a great deal of it does, it is taxed there; if it remains in San Francisco it is taxed there; if it remains in Astoria or Portland it is taxed there; if it is shipped to any of the eastern markets it is necessarily taxed there, because it is all in existence during the next tax assessment time when property is assessed for taxation.

The prices of this product depend to a certain extent upon that element, because it is a consideration that has to be taken into account. The buyers know when they take deliveries in the fall that this commodity will be in existence during the March following and that it will be assessed for taxation somewhere, and, therefore, the prices that are made once a year in the fall are governed to an extent by that element.

There is another tax——

Mr. WICKERSHAM. Let me ask you a question or two about that before you proceed.

Mr. DORR. Yes.

Mr. WICKERSHAM. How much does it pay in Seattle?

Mr. DORR. How much does it pay in Seattle?

Mr. WICKERSHAM. Yes.

Mr. DORR. Just the same as any other merchandise that is on hand.

Mr. WICKERSHAM. How much is that?

Mr. DORR. You mean the valuation that is put on it?

Mr. WICKERSHAM. Yes.

Mr. DORR. I do not know that.

Mr. WICKERSHAM. And what is the rate of taxation?

Mr. DORR. In Seattle the rate is about 35 mills.

Mr. WICKERSHAM. About 3½ cents?

Mr. DORR. Yes; on the assessed valuation.

Mr. WICKERSHAM. On the assessed valuation?

Mr. DORR. Of the Alaska salmon in Seattle.

Mr. WICKERSHAM. We are talking about Alaska salmon.

Mr. DORR. Yes; I am talking about Alaska salmon stored in Seattle at assessment time.

Mr. WICKERSHAM. Yes.

Mr. DORR. And it is not very long ago that the packers tried to avoid that tax in Seattle by claiming that they paid the pack tax in Alaska, and therefore it ought to be exempt from the State tax; but they were turned down and compelled to pay, and they have paid ever since.

Mr. WICKERSHAM. When does the salmon get down to Seattle?

Mr. DORR. The bulk of it arrives in September, October, and November.

Mr. WICKERSHAM. From Alaska?

Mr. DORR. Yes.

Mr. WICKERSHAM. Well, from Bering Sea, let us say, when does that get down?

Mr. DORR. The bulk of it from Bering Sea arrives in September and October.

Mr. WICKERSHAM. When is it sold?

Mr. DORR. It is usually sold in the fall.

Mr. WICKERSHAM. And sent away?

Mr. DORR. And sent away, if the market will take it.

Mr. WICKERSHAM. And the tax is not levied until the next spring?

Mr. DORR. The tax is not levied until the next spring.

Mr. WICKERSHAM. The next April?

Mr. DORR. The next following March; but that salmon is not consumed until after the next March.

Mr. WICKERSHAM. But suppose it is in England?

Mr. DORR. If it goes to England, of course it escapes our taxes. If it goes to New York it does not escape; if it is left in Seattle it does not escape. While the packers want to sell it, and try to sell it, they are not always able to sell it. In 1905, for instance, there was practically as much 1905 salmon at the close of that year as the new pack amounted to, in the hands of some of the larger companies.

Mr. WICKERSHAM. Your argument now, as I understand it, is that because you are taxed 1½ per cent on Alaska salmon in Seattle, that the tax of 1½ per cent, which goes to Alaska, ought to be reduced?

Mr. DORR. I am going to show you, Judge, before we get through, that we are paying in Alaska 4 per cent on what we take out of Alaska. I will try to, at least. I am not claiming any exemption from taxation in Alaska. All I am claiming, all I desire to claim, and all I insist upon, is equality of taxation in Alaska. I do not think that we should be required or expected to pay excessive taxes

there. I do not think we ought to escape any just taxation anywhere, and I have never advocated that for any client that I have ever had, nor will I do so here.

Salmon that goes out of the country before the next tax date of course escapes our State taxes. That is self-evident. Practically none of the pack of 1912, for instance, that remains in the United States goes into consumption till the summer of 1913, because it is during the warm weather that the people eat canned salmon and it is during the winter and spring that the packers are shipping it out; it is then held in storage, and there is a lot of it in storage at this very time. If you will go over to New York you will find a big lot of salmon over there.

Now, there is another tax that we have to pay that our neighbors across the boundary line in British Columbia, who are engaged in the same line of business, do not have to pay, and that is \$1.20 a box tariff on tin plate. We do not pay quite the full \$1.20 a box, but we pay substantially that sum in this way: Our tin plate, if we imported it from England, as we formerly did, would be subject to the import duty of \$1.20 a box—that is, 100 pounds, or a cent and one-fifth per pound. The United States market on tin plate to-day is, I will say, \$4.20—practically that. That is the delivered price at Seattle for 100 pounds of American tin plate, standard size—14 by 20—manufactured in Pennsylvania or in Ohio.

The CHAIRMAN. That is, they do not import it into the United States?

Mr. DORR. No, sir; not largely. They do not import it because they can get deliveries more regularly here. Their shipments are safer and the cost is a very little bit cheaper, as I will explain. While they do not have to pay that full \$1.20 per case, they pay somewhere around a dollar per case in excess of the delivered cost of the foreign plate without the import duty. In other words, the American manufacturers give our packers the benefit, we will say, of 20 cents, 25 cents, or 30 cents per box, just enough to keep the trade here, because they know there is a certain amount of risk and long delay in shipping around the Horn by sailing vessel, as the packers formerly did. Then there is the risk of sea damage, and if the ship be lost they could not make their packs. The risk in importing is great as compared with shipments from Pittsburgh.

Therefore to induce the packers to buy the plate here and not take these risks of importation, the American tin-plate manufacturers charge them just about as much of the tariff as the traffic will bear, making a small concession to make sure of the business. Our neighbors, who live in Victoria or in Vancouver, in British Columbia, buy that same tin plate from the same American manufacturers, shipped from Pittsburgh or vicinity and delivered to their docks at 75, 80, or 90 cents or a dollar a box less than we buy it for. This is entirely due to our tariff on tin plate.

The CHAIRMAN. You are satisfied that that is correct are you?

Mr. DORR. I know it is absolutely true.

The CHAIRMAN. Is that the general custom?

Mr. DORR. It is the general custom for this reason, Senator: In going into the Victoria market or the Vancouver market our American tin-plate manufacturers have to compete with the free tin plate coming from Great Britain. It comes from Wales.

Mr. MADISON. Pardon me for adding something to that, Mr. Chairman. The tin-plate manufacturer gets a rebate off on his tin when he sends it across the border. Therefore he can consistently sell it somewhat cheaper on the other side.

Mr. DORR. I presume he does get the rebate; but the facts remain the same that the packer in Seattle has to pay a differential, I will say, of 80 to 90 cents a case more than his neighbor in Vancouver. A case is 100 pounds of tin plate.

Mr. MADISON. That is correct.

Mr. WICKERSHAM. Is that brought about by our tariff?

Mr. DORR. That is absolutely brought about by our tariff.

The CHAIRMAN. Are there quotations made on this tin plate in Seattle and Vancouver which you can furnish the committee?

Mr. DORR. I do not know as I can get them in Vancouver. I could certainly get them in Seattle.

The CHAIRMAN. It would not help us to get Seattle unless we can also get Vancouver.

Mr. MADISON. I think Mr. Dorr's statement is just about correct—75 to 80 cents is generally the difference between English and American tin plate.

Mr. DORR. I am speaking of 100-pound boxes.

The CHAIRMAN. I wondered if you could find any published quotations that could be used for the purpose of comparison.

Mr. DORR. I do not know whether I can do that or not.

The CHAIRMAN. I am not intimating that I doubt your word at all, Mr. Dorr.

Mr. DORR. I will try; I do not know whether I can get hold of them for this hearing. I do not know whether they are published.

Mr. MOSER. It is true, however, is it not, Mr. Dorr, that we can import foreign plate and get a rebate on the duty on such goods as are exported?

Mr. DORR. Yes; on all goods that go foreign we can get a rebate of 99 per cent of the duty paid on imported plate, but the most of our salmon is consumed at home.

The CHAIRMAN. As I understood this, Mr. Dorr, our tin-plate manufacturers will sell their tin plate to the trade at Seattle at a certain rate and they will sell the same tin plate in Vancouver at about 75 cents less.

Mr. DORR. Yes, sir.

The CHAIRMAN. To you or anybody else over there?

Mr. DORR. Yes, sir; in fact, I know one party who is interested in Vancouver and interested at Point Roberts—on our side of the boundary line. A gentleman in Vancouver is engaged in the salmon business there, and the same gentleman is engaged in the salmon business at Point Roberts. Point Roberts is within a stone's throw from the international boundary line. For his tin plate in Point Roberts he has told me himself he has to pay this differential over the cost of the same plate that he buys for his company in Vancouver—all purchased from the same American manufacturers.

Mr. WICKERSHAM. That is an example of the robber tariff.

Mr. MADISON. I should think he could sail around four or five hundred yards and move it overnight.

Mr. DORR. If he does that I think he would probably get into trouble, and I would not advise him to do it.

Now, with respect to the profits to the American salmon packers: In what few remarks I have to make I have taken for illustration, from the reports of the Alaska Packers' Association during its entire existence, certain basic figures which are to be had by and are available to anyone. I have taken these from their published annual reports that have been made to their stockholders.

Mr. WICKERSHAM. Where will those published reports be found?

Mr. DORR. Capt. Moser has a full copy of them in this room; or at least he did have them here.

Mr. MOSER. I have a file.

Mr. WICKERSHAM. But they are private?

Mr. DORR. Oh, no; they are not private; because the company has about 600 stockholders in San Francisco, and these reports are annually published and distributed and they are given to the members. They go into the daily papers and they go into the trade journals generally.

The CHAIRMAN. They are published in the Fishery Magazine in Seattle.

Mr. DORR. Yes; among other places I think they are always published in The Pacific Fisherman, which is the leading salmon journal of the world.

The CHAIRMAN. They have also been published in the proceedings of the committee before the House.

Mr. BROWNE. The report for the year 1899 was published at the hearing of 1910.

Mr. WICKERSHAM. There was a statement published there, covering 16 annual statements.

Mr. BROWNE. No; 16 years of what they had paid in dividends.

Mr. WICKERSHAM. The profits. Who presented that statement; you, Mr. Browne?

Mr. BROWNE. I did.

The CHAIRMAN. Have you gentlemen any objection to filing a copy of those statements with the committee so that they may be seen?

Mr. DORR. That is the entire report?

The CHAIRMAN. Yes.

Mr. MOSER. I have only one file and I think it is the only one outside of the one in our office, and I was asked to bring that file back. I can get several statements of the 19 years that the association has been in existence. They are open to inspection by anyone who wants to see them.

Mr. DORR. They are here now.

Mr. MOSER. Yes; all of them are here.

Mr. DORR. They can be examined and experted if necessary.

Mr. MOSER. Yes.

Mr. BROWNE. The reports for 1910 and 1911 were put in with your testimony before this committee.

Mr. DORR. That I understood perfectly well; but I have taken the whole statement for the whole period, because this is the longest consecutive history that we can get. In fact, it is the only one covering any great length of time that I know anything about.

There was another large company organized in 1901; that is, the Pacific Packing & Navigation Co. It had a larger capitalization than the Alaska Packers' Association, but it did not last very long.

Mr. WICKERSHAM. It was a trust formed by the combination of a great many smaller companies.

Mr. DORR. It was a company that was organized in 1901 and absorbed a good many small companies. It failed and went into insolvency and was sold out at receivers' sale in 1907, I think.

Mr. WICKERSHAM. Mr. Winn was the receiver.

Mr. DORR. Judge Winn was the Alaska receiver. There was a receiver in Seattle and there was also a receiver in New Jersey, the court of primary jurisdiction. They had receivers all over the country. That was the largest capitalized company that has ever been engaged in that business.

Mr. MADISON. It was also the largest failure.

Mr. DORR. Yes; I guess it was the largest failure, although there has been a great many other failures.

The Alaska Packers is the only large company that has a continuous consecutive record, and I think it is only fair, in considering these matters, to take not last year, which was a high-priced year, but to take as long a period as we can cover and see what has been going on up there in the way of profit making.

I find from these reports that the average capital they have used for the entire time was \$4,068,178. That capital has varied; it has increased.

The CHAIRMAN. Is that the average per year?

Mr. DORR. That is the average for the entire period of 19 years.

The total profits that they have made during the 19 years of existence is \$9,813,885.

Mr. WICKERSHAM. Does that include last year?

Mr. DORR. That includes 1911.

Mr. MOSER. May I ask, does that include Puget Sound?

Mr. DORR. It includes everything that is covered by your company. That is your whole financial statement. Of that total profit of \$9,813,885, \$2,066,134 has been earned on insurance, which is not a part of the salmon business proper.

The Alaska Packers' Association acts as its own insurance company and has credited its insurance fund with what it would have cost them had they bought this insurance in the open market. They are enabled to do that because their plants cover a large territory and are separate and they can afford to lose one once in a while or a ship once in a while, while the independent packer, as he is commonly called, or the small packer, can not afford to carry his own insurance because he has all of his money in one place, and a fire would ruin him.

Mr. WICKERSHAM. Now, explain to us how you make up that insurance fund.

Mr. DORR. I have taken it from their statements.

Mr. WICKERSHAM. I do not mean that. I mean how they make it. How do they get the money going into that insurance fund.

Mr. DORR. It does not represent any money at all. It is deducted from the gross profits. It has accrued by crediting this fund with what their premiums would have cost them had they bought their insurance in the open market.

Mr. WICKERSHAM. Do not they in their bookkeeping carry the money into the insurance fund and then end it?

Mr. DORR. Oh, no. They do not do that at all. For instance, this fleet of vessels that has been spoken of by Capt. Moser carries no insurance at all purchased from insurance companies.

Mr. WICKERSHAM. Yes; I understand that.

Mr. DORR. But they determine what it would cost them to insure those vessels, if they went out in the market and bought it; and then they credit that amount to their insurance fund.

Mr. WICKERSHAM. But what do they do with that amount of money then?

Mr. MOSER. It is all in bonds.

Mr. DORR. Just wait a minute; it is not all in bonds by a good deal, gentlemen; because their losses are charged back to that insurance fund, and in 1906 when they had the big fire in San Francisco and lost four hundred and some odd thousands of dollars in a cannery fire in Alaska the same year, those amounts were charged back to that fund; that is, the losses were paid out of that fund, which reduced the reserve that much.

Mr. WICKERSHAM. All the money in that fund is invested in bonds of the city of San Francisco or some other municipality in California, is it not?

Mr. DORR. The last three or four years they have invested their surplus insurance reserve in bonds, but those are bonds that are convertible into money in case of disaster. If they should have a fire to-day and lose half a million dollars up there, as they might in some of their plants, they would simply sell a half million of those bonds and pay the loss. The bonds are purchased, as I understand it, for the purpose of safe investment. That is set forth in detail in some of the later reports of the company.

Mr. MOSER. The insurance is a separate department entirely as if it was a separate company. The account is kept entirely separate and whatever earnings there are from that insurance are put into bonds. They are placed in safe deposit and held like any other reserves. The interest on those bonds goes back to that insurance fund.

Mr. DORR. Now, deducting the insurance earnings, which I say is no part of the natural earnings from the salmon business to the companies I represent, because they, without exception, have to buy their insurance—none of them can afford to take these risks—there is left a net amount earned by the Alaska Packers' Association on the salmon business proper of \$7,747,751.

Mr. WICKERSHAM. Yes; but all that insurance was bought by the salmon business, was it not?

Mr. DORR. It was earned by this company, engaged in the insurance business, not the salmon business.

Mr. WICKERSHAM. Yes; but it was charged up against the salmon business.

Mr. DORR. No; it is not.

Mr. WICKERSHAM. It was paid for by the salmon business.

Mr. DORR. Not at all; it is kept entirely separate.

Mr. WICKERSHAM. It was taken out of the funds of the salmon business for the fishing for a series of years.

Mr. MOSER. It is part of the running expenses of operating the salmon business.

Mr. WICKERSHAM. I understand that.

Mr. DORR. You can argue it this way: If they bought all their insurance they would not have had this fund.

Mr. WICKERSHAM. Certainly not.

Mr. DORR. They have it only by virtue of having taken the risk themselves.

The CHAIRMAN. How do they make it?

Mr. DORR. They save it by not buying insurance.

Mr. MADISON. I would like to state that all my companies buy their insurance—the ones I speak for. We pay that out in money every year.

Mr. DORR. What rate do you pay?

Mr. MADISON. Three per cent less ten. That is marine insurance; and about two and two and a half fire insurance; and in connection with that I would also state that in the Bering Sea vicinity there have been marine losses during the last four years close to half a million dollars.

The CHAIRMAN. Now, I want to ask you a question, Mr. Dorr, to see if I understand this matter. For instance, this year you want insurance on your plant, but you do not go to an insurance company to get it. Do you take out of your receipts or moneys or properties such an amount as you would have to pay to an insurance company for premiums and put that into what you call an insurance fund?

Mr. DORR. Yes, sir; an insurance reserve fund.

The CHAIRMAN. And you add to that each year in that way?

Mr. DORR. In that way; yes, sir. Against that, Senator, all losses that would be covered by insurance policies are charged against that fund.

The CHAIRMAN. But what you set aside for this insurance fund comes out of this salmon business?

Mr. DORR. It certainly does.

The CHAIRMAN. I think I understand that. I know some people who are carrying insurance on their houses in the same way, except they do not put aside the fund. They simply do not pay the premium.

Mr. DORR. That is all; they take the risk.

Mr. MOSER. Many large companies operate in the same way. Many large steamship companies operate in the same way. Of course we are large borrowers of money. That money is borrowed in the spring of the year, and when we place our insurance upon our own vessels it is borrowed, and the bonds are bought just the same.

The CHAIRMAN. But you buy it from yourselves?

Mr. MOSER. It is a separate department. We are insurers ourselves.

Mr. DORR. The point I am endeavoring to make with reference to this matter of insurance is that the companies I represent and the companies Mr. Madison has spoken for can not do that. They have either got to go out and buy their insurance——

The CHAIRMAN. They either have to buy that insurance or else take the risk of an entire loss.

Mr. DORR. Yes, sir; and they can not afford to take the risk. I have one client in the list of names that has been submitted that had two consecutive total cannery losses in two years in Alaska. That is the Shakan Co. They had a total destruction of the entire cannery in 1909 and again in 1910. The plants burned down and were a complete

loss, and that after the packs were up and the salmon was mostly lost with the canneries. Now, had they carried their own insurance they would have been absolutely ruined, bankrupt, because that is all they had, just the one single plant; while with the Alaska Packers' Association, with its many plants, they have found it practicable to take those risks themselves.

Coming back to that question of rates for a moment. Under their last annual statement, their canneries, and their fleet of vessels, is given as \$5,756,815, and on that they carry their own insurance. These rates Mr. Madison has spoken of, if they are the going rates, are the basis of this fund.

Mr. MOSER. May I add to that that we do insure our cargoes up and down.

The CHAIRMAN. That is, you mean you buy insurance?

Mr. DORR. I understood that; but I believe the canneries and the fleet are not insured.

Mr. MADISON. That is because there is so much bulk in one loss. If they bring down 100,000 cases, as they do, in one ship, you would have a loss of five or six hundred thousand dollars at one time. I think that is the reason, as I understand it.

Mr. MOSER. We have considered the question of carrying our own insurance on our cargoes, but we have not reached the point yet of doing so. Our losses amount to just about what our insurance premiums have been since we have been in the business.

Mr. DORR. Now, with that explanation, the average capital used and the annual profits made, excluding this insurance reserve, their annual rate of profit on their capital has been just exactly 10 per cent. During that time they have packed in cases of 48, 1-pound cans or the equivalent, 18,615,698 cases, in Alaska and Puget Sound, all told.

Mr. WICKERSHAM. What proportion is that of the Alaska pack?

Mr. MOSER. Of what year? I think I can give you that.

Mr. WICKERSHAM. For the total.

Mr. DORR. This covers Puget Sound, Judge, as well; and Puget Sound is a very large element in their business because they have three large plants there and of these profits that they have made—I am sure—the rate of profit on Puget Sound has been larger than the rate in Alaska, and that is so generally with everybody. It is not necessarily confined to them; but there are a good many reasons for that, and some of which I will mention later.

Their pack in Alaska has been the smaller proportion of the total Alaska pack. It used to be about half, I think, but has been reduced somewhat of late years by general competition.

Mr. MOSER. We packed last year 30 per cent of the total Alaska pack.

Mr. WICKERSHAM. Of your own pack?

Mr. MOSER. Our pack was 30 per cent of the total pack, less than a third of the pack in 1911. A few years ago the pack was up to 50 per cent. [Reading:]

1903, 56 per cent; 1904, 58 per cent; 1905, 49 per cent; 1906, 45 per cent; 1907, 50 per cent; 1908, 42 per cent; 1909, 48 per cent; 1910, 38 per cent; 1911, 30 per cent. All percentages on the total pack.

Mr. WICKERSHAM. You had a light pack last year?

Mr. MOSER. Our total pack was not so very large.

Mr. DORR. There also has been a decrease in their proportion as the other companies have come in and increased the competition.

The average annual profits per case on all of this salmon packed in Alaska and Puget Sound by the Alaska Packers Association, on the basis that I am discussing, has been 41.6 cents per case, or 10 per cent on their invested capital.

Mr. WICKERSHAM. That is the average annual profit per case?

Mr. DORR. The average annual profit per case for 19 years.

Mr. BROWNE. Alaska and Puget Sound?

Mr. DORR. Alaska and Puget Sound.

Mr. MADISON. You would not average that much in Alaska?

Mr. DORR. Well, Capt. Moser can tell that, probably.

Mr. MOSER. I have already had that in my hearing. Thirty-five and one half cents per case have been our average profits per case for 19 years.

Mr. DORR. In Alaska?

Mr. MOSER. In Alaska.

Mr. DORR. I am giving the figures as a whole, covering their entire operations in Alaska and Puget Sound.

Mr. MOSER. As a whole. That is Alaska and Puget Sound. Our average profits for the 19 years has been 41½ cents.

Mr. DORR. I figured it out at 41.6 cents.

Mr. MOSER. He has figured it out independently.

Mr. DORR. Without any reference to his figures at all and without any consultation with him.

Mr. MOSER. And I may say here that the profit in Puget Sound is very much larger than it is in Alaska.

Mr. DORR. The statement in full is as follows:

Alaska Packers' Association—1893-1911—From organization, 19 years' record—Operating in Alaska and Puget Sound.

Total profits 19 years.....	\$9, 813, 885
Dividends—	
Cash.....	\$6, 159, 477
Stock.....	1, 680, 000
Undivided profits.....	1, 974, 408
	<u>\$9, 813, 885</u>
Saved on insurance by carrying own risks.....	\$2, 066, 134
Net amount made on salmon.....	\$7, 747, 751
Average capital employed.....	\$4, 068, 178
Average annual rate of profit on capital made on salmon and insurance, per cent.....	12 ⁶ / ₁₀
Average annual rate of profit on capital made on salmon proper, per cent.....	10
Total number cases salmon packed (48 1-pound cases or the equivalent).....	18, 615, 698
Average pack per year (cases).....	979, 773
Average annual profit per case, including earnings on insurance.....	\$0. 527
Average annual net profit per case on salmon proper, excluding insurance earnings.....	\$0. 416

Mr. DORR. Now, during this period since the act of March 3, 1899, was passed, they have paid in, in common with everybody else, 4 cents a case, which, of course, has reduced their net profits that much.

I have figured this tax exacted in the bill now under consideration as set forth in section 1 as accurately as I can, or as carefully as I can,

with reference to licenses on the fishing gear. Of course the tax per case is easy of calculation; but the tax on the gear is quite complicated. It is varied and it is pretty hard to get at; but as near as I can figure it out, Mr. Chairman, the new bill would add 10 cents a case to the present rate throughout all Alaska, or make the tax 14 cents per case. I am speaking now of Alaska as a whole.

The CHAIRMAN. Ten cents.

Mr. MADISON. It would make it 14 cents.

Mr. DORR. It would make the total tax up there about 14 cents per case.

The CHAIRMAN. Do you go on to explain how you figure that out, Mr. Dorr?

Mr. DORR. How I figure out the tax on gear?

The CHAIRMAN. That is, how you account for the 10 cents per case that you give.

Mr. DORR. Well, I have taken an estimate of the gear used, as nearly as I could, and applied the license rate to that gear. For instance, \$100 per trap, and 30 cents per fathom for the purse seines and the other rates that are provided by the bill, and I have made a general average of the whole thing and arrived at practically that result.

Now it may be a cent or two more or possibly a little less; but I think it is a fair estimate.

The CHAIRMAN. That is, you ascertained as nearly as you could the number of traps in Alaskan waters and the number of fathoms of nets?

Mr. DORR. And seines and all that sort of thing.

The CHAIRMAN. And figured on the basis set out in the bill.

Mr. DORR. It is an impossible thing to make a mathematical demonstration of it because this gear varies; and not only that—the grades of salmon themselves vary. With this graduated scale running from 5 cents to 11 cents we will have a larger pack of pink one year and a larger pack of reds the next year, and so on.

Mr. MADISON. May I suggest, Mr. Chairman, that the quantity of cases packed there vary, too? In the Bering Sea we require the same, whether we pack 20,000 or whether we pack 50,000. Therefore the cost per case would be $2\frac{1}{2}$ times as much if you only caught 20,000 as it would be if you caught 50,000.

The CHAIRMAN. Of course your tax on the nets and so on would only be the tax on what you used?

Mr. MADISON. We have to use the seine, Senator, whether we pack 20,000 or 50,000 cases. We use two nets for each boat per year.

Mr. MOSER. We use more gear and burn more coal when the fish are scarce than when the fish are plentiful.

Mr. MADISON. I can safely say it will average more than 2 cents additional for gear, and the short pack may cost 5 cents a case.

Mr. DORR. In comparison with the Alaska situation, I want to submit the tax rates upon the output of canneries and the license fees upon the various kinds of fishing gear that are in force in Oregon, Washington, and British Columbia. These are Alaska competitors. In Oregon the cannery pack tax is 2 cents per case. In Washington it is 1 cent per case. It is not specified in the law in that way, but

it is so many dollars for so many cases, and the tax of this year is based on the actual output of last year; so it amounts to the same thing.

In British Columbia the cannery tax is \$50 to \$100 per year and \$100 for each additional line of machinery, which is equivalent to not over 1 cent per case. The present law in Alaska now is 4 cents.

Mr. BROWNE. Per case?

Mr. DORR. Per case. The new bill increases it from 5 to 11, which I estimated would be an average of, say, 8 cents per case. Now, traps in Oregon pay a license fee of \$25.

Mr. WICKERSHAM. Let me ask you there: Do they have the same kind of traps in Oregon that they have in Alaska?

Mr. DORR. Identically. And you have them right here in sight of Washington on the Potomac River. If you will take a steamer and go down to Marshall Hall or Mount Vernon you will see the traps with all their terrors, with the jiggers in operation, catching shad on the Potomac River. I will show you something more of that presently.

In Washington the trap license is graduated according to the class of traps. The smaller ones pay \$10, the medium size \$25, and the larger size \$50. In addition to that they pay a catch license of one-tenth of a cent per fish.

The CHAIRMAN. One tenth of a cent per fish?

Mr. DORR. For fish caught in traps. That is a dollar a thousand.

The CHAIRMAN. Have you any estimate as to what that amounts to in a year on a trap?

Mr. DORR. Well, a trap that averages 30,000 is a good trap there. Sometimes they catch a great many more than that, and sometimes, and quite generally, a great many less, one year with another.

The CHAIRMAN. That is, 30,000 a season?

Mr. DORR. Yes, sir; an average per season. There are a great many traps there. Some catch great quantities and some a very few. Thirty thousand is a good average. That would be \$30—\$1 a thousand for the fish caught. The flat rate in British Columbia is \$50 per trap, and they do allow traps over there. They are in actual use off Vancouver Islands now.

Mr. WICKERSHAM. The same as in Alaska?

Mr. DORR. The same as in Alaska; the same kind of a device.

Drag seines in Oregon are 3 cents per foot. In Washington they are 1 to 3 cents, graduated according to the classification of the seine, and in British Columbia they are \$50 flat. Under the bill the drag seine is classed with gill net and all other gear except purse seines and traps, at the rate of 1 cent per fathom.

Upon that point I have a most serious objection. It is not so much to the amount of the tax, which is not large, as applied to those kinds of gear. If you are going to tax the gear at all I think the tax on seines is a very moderate tax; but the idea of applying this tax per fathom to gill nets, which vary in length and require tags to be placed on all those gill nets, is almost absolutely impracticable of application. If a tax is to go upon gill nets or purse seines I think it should be on the boats, not on the nets; that the boats be taxed.

The CHAIRMAN. Why?

Mr. DORR. You can always find the boats. Those nets are floating in the water. They are frequently lost, Senator. They are snagged

and torn up. The fishermen change their nets from one size of mesh to another as the season goes on to catch the different kinds and sizes of salmon. I presume the idea is to make the fishermen pay an annual tax of so much for using not this or that identical net, but for fishing with this kind of a net. Therefore the tax should be on the man, or on the boat, rather than on the gear itself, as a practical method of applying it, otherwise interminable confusion will result.

Now as to wheels—I do not suppose there are any in Alaska, are there?

Mr. WICKERSHAM. There are a few wheels on the Yukon River and the Tanana.

Mr. DORR. Purse seines seem to be omitted in Oregon. I find no schedules covering them there. In the State of Washington they are taxed \$25 to \$50, depending on the size of the net. In British Columbia they are taxed at \$25 each and under the bill they would be taxed 30 cents a fathom, which would be equivalent to \$50 or \$100 per year, depending upon the size of the net.

The CHAIRMAN. I think right there—I do not think it has been explained in the record—you had better explain what a gill net is.

Mr. DORR. A gill net is a piece of linen netting that is woven into meshes of the appropriate size for admitting a salmon's head into the mesh and then holding him there.

The CHAIRMAN. That is, catching him by the gills?

Mr. DORR. He is caught by the gills; and, therefore, the net is commonly called a gill net.

That gill net is strung with a cork line to float one edge on the surface of the water, and a lead line to hold the other edge down in the water, and it is simply put adrift—loose.

Mr. WICKERSHAM. And it is a single-mesh net?

Mr. DORR. It is a single-mesh net and the salmon approach that net where it crosses their course and it intercepts and catches them. They stick their heads through and are caught by the gills and held there until taken out and killed. Those nets run from 200 to 300 fathoms in length.

Mr. MOSER. Two hundred and forty fathoms is about the size nets we use in Bristol Bay now.

The CHAIRMAN. That is, the length?

Mr. DORR. Yes. The depth depends upon the water in which they are fishing. In water of sufficient depth nets are deeper than in shallow water.

The CHAIRMAN. Are they supposed to rest on the bottom?

Mr. DORR. They are supposed to be closed on the bottom.

Mr. MOSER. There is a lead line on the bottom which keeps the lower part of it down.

Mr. DORR. Those nets are operated by two men, and they act as partners and they fish the net. There is a boat puller and a net man in the boat. The boat puller pulls the boat, and the net man casts the net in the water and takes it up and takes the fish out of it.

The CHAIRMAN. Is that an effective means for catching fish?

Mr. DORR. It is a very effective means in water that is suitable for their use. In the Frazier River, for instance, at its mouth, and again in the Columbia River, and in all this Nushagak and Bristol Bay district, they are the principal means of fishing. In fact, they are about the only means about the mouth of the Frazier River. They do

not allow any other kind of gear there, and I have seen in active operation there from 2,000 to 3,000 of these gill nets and boats at one time.

Mr. WICKERSHAM. Each with about 1,440 feet of gill net?

Mr. DORR. Well, I think they have about 150 fathoms in those nets.

Mr. WICKERSHAM. That would be 900 feet.

Mr. DORR. They crisscross in every conceivable way across that river. It seemed to me it would puzzle a fish to get through it at all.

The CHAIRMAN. I see a trammel net is mentioned here in section 1. What sort of a net is that?

Mr. DORR. A trammel net is a little bit of a stationary net that is used in some waters, with a funnel-shaped thing running into it by which the fish are led into the net.

Mr. MOSER. No; you are thinking of a fyke net. A trammel net is a double gill net. It consists of two nets, one hung parallel with the other, the larger mesh on one side and the smaller mesh on the other.

The CHAIRMAN. If a small fish gets through one net he gets caught in the other?

Mr. MOSER. They do not use fyke nets in Alaska. I have never seen them there.

Mr. DORR. That is what I described, rather than the trammel net.

Mr. WICKERSHAM. The Indians on the Yukon River make them out of split shakes.

Mr. MOSER. They have them in southeast Alaska—long tubular arrangements.

Mr. DORR. I have a map here, Mr. Chairman, of the Puget Sound district, showing the traps that are in use there. This [indicating] is the international boundary line. That is the place I mentioned awhile ago, where the cannery was operated by the man jointly interested at Point Roberts and Vancouver. These [indicating] are traps.

Mr. WICKERSHAM. Have you counted the number on this little map?

Mr. DORR. I have not the report of the Fish Commissioner. It will give that. There are a great many more there than in all Alaska.

The CHAIRMAN. Are they increasing, Mr. Dorr, in Puget Sound?

Mr. DORR. No, sir. The truth of the matter is that the purse seine is becoming the most effective instrument for catching salmon on Puget Sound. My personal opinion is that it is rapidly superseding the traps. The purse seine as made at the present time is a very different device from the old purse seine.

The purse seine formerly used was made of heavy cotton twine and was handled by a crew of men in a rowboat. It is now made of the best linen twine, which reduces the resistance in the water to such an extent that it is very easy, comparatively easy, to haul it. It is worked with a crew of men in a rapid, and powerful motor-boat. They now do this work all by machinery instead of by the old hard, hand method.

I want now to show the committee some traps that are in the State of North Carolina. Dr. Evermann perhaps can explain this better

than I can, if he will be good enough to do so, because the maps are made by the Bureau of Fisheries and are under their jurisdiction, this being one of the fishery reports.

The CHAIRMAN. These seem to be gill nets, pound nets, and seines here.

Mr. DORR. A pound net and a trap is the same thing. The words are synonymous.

Dr. EVERMANN. These [indicating] are traps along the shore. You see they are very thick. These charts or maps were prepared in connection with an investigation for the purpose of determining just why it was that the shad in these North Carolina rivers were becoming so scarce.

Consideration of the location and positions of these traps in these various places very soon determined what the cause was. The shad were caught before they got up into the streams, and in some places where the Federal Government had hatcheries they were unable to get shad at these hatcheries for spawning, because the shad did not get in. That was the case here on the Potomac River with deep-water fishing down below.

Mr. DORR. Now, by looking at the next chart I show you, you can appreciate the force of Dr. Evermann's statement. Each mark is a trap. There are infinitely more in that one reach than in the whole of Alaska.

The CHAIRMAN. But that illustrates what would happen in Alaska?

Mr. DORR. The distance between traps, I think, ought to be regulated by law.

The CHAIRMAN. This shows the necessity for some regulation in Alaska.

Mr. DORR. Senator, we are all agreed on that.

Dr. EVERMANN. This is a condition that we do not want to reach in Alaska.

The CHAIRMAN. Well, I do not think we need to take up very much time discussing that question.

Mr. DORR. I simply wanted to show this as I went along. The same thing is true here on the Potomac River and in the Columbia River—to emphasize the fact that traps are regarded as a proper means of catching fish. My position is that they should be regulated, but not abolished. They should be controlled; spaces should be left between them; passageways and runways for the fish should be provided.

Mr. WICKERSHAM. Dr. Evermann, how do these traps compare with those in Alaska?

Dr. EVERMANN. These are smaller.

Mr. WICKERSHAM. In what proportion?

Dr. EVERMANN. I can not tell you the proportions, but they are very much smaller than the pound traps in Alaska. Of course, the catch is very much smaller.

Mr. DORR. You are referring to the shad traps?

Dr. EVERMANN. Yes.

Mr. DORR. Some of them on the Potomac River are equal to many of those on Bristol Bay.

Mr. BOWER. I think that is true. Some of them are even larger than the traps in Alaska.

Mr. DORR. Doctor, the traps at Bristol Bay are very small affairs, but down in Icy Straits and in Central Alaska they are larger institutions, and the bill limits the length. We have no objection to that. We think it proper that they should be regulated.

I have a map here of Puget Sound, a detail map. This shows the way a trap is built. Here [indicating] is the pot; here [indicating] is what may or may not be called the jigger.

Mr. BROWNE. That is the same as the Alaska trap?

Mr. DORR. They are built the same as the Alaska trap, although they are of a different shape. The shape depends upon the current and the locality. The details differ as to shore conditions. Some of them are straight, others are curved, and some of them are of a half-moon shape. Some of them are at obtuse angles.

Now, I have a map here which I think will be of some general interest to the committee, which I have had made, and which shows all the fishing stations in Alaska.

The CHAIRMAN. What do you mean by fishing stations?

Mr. DORR. Salmon stations and other fishing stations where fish are canned or cured.

Mr. WICKERSHAM. Do you mean canneries?

Mr. DORR. Canneries and salteries. The "key" explains the character of the station. There is a different character for the different kinds of fishery station—salmon, halibut, cod, herring, etc.

Mr. WICKERSHAM. That shows those merely engaged in canning operations?

Mr. DORR. That shows all that are in existence, I believe. The data for this was taken from Mr. Cobb's last report.

Mr. BOWER. That only shows the canneries and salteries in active operation last season.

The CHAIRMAN. Do you know how many that shows?

Mr. DORR. I think 62 salmon canneries, Senator. Here [indicating] is the Bristol Bay district.

The CHAIRMAN. There are about ten there.

Mr. DORR. There are more than ten there.

The CHAIRMAN. We will keep this map with the record, and it is possible we may have it printed.

Mr. DORR. I would like in this same connection to show you a map of Alaska, with a composite map of the State of Washington, which will give you a general idea of the relative size between 580,000 square miles and 69,000 square miles.

The CHAIRMAN. We will now adjourn and meet to-morrow morning at 10 o'clock.

Thereupon, at 10.45 o'clock p. m., the subcommittee adjourned, to meet to-morrow, May 24, 1912, at 10 o'clock a. m.

MAY 24, 1912.

COMMITTEE ON FISHERIES,
UNITED STATES SENATE,
Washington, D. C.

The subcommittee met at 10 a. m.

Present: Senator Jones (Chairman).

Also appeared: Hon. James Wickersham, Delegate in Congress from Alaska.

Also appeared: Mr. Ward T. Bower, assistant agent Alaska Salmon Fisheries. Also: Messrs. John Sidney Webb, Aldis B. Browne, Charles W. Dorr, and J. F. Moser.

STATEMENT OF MR. CHARLES W. DORR—RESUMED.

Mr. DORR. I gave last evening a statement of the operations and returns on the capital invested of the Alaska Packers' Association for the period of 19 years, and I wish, at the expense of possible repetition, to state that the reason I took those figures as a basis is because they exhibit by far the longest consecutive period of operations in Alaska, and, furthermore, because they represent the operations of the largest company that is engaged in the salmon fishing business in Alaska. Therefore I think it is safe to assume that their operations—which extend from the most northerly fishery to the most southerly fishery, all along the coast—represent a fair average of the whole. p 299

And, furthermore, as their pack at the present time represents about one-third of the whole I think it is fair to assume that a corporation with such large capital and superior facilities as they have, and covering as they do the entire district from north to south, will represent at least a fair average of the whole as to the questions of cost and earnings, if they are to be here considered on a tax-making basis.

I have prepared a schedule covering the published market prices of all grades of salmon packed in the United States for the last 10 years, including the Columbia River and other Oregon districts, Puget Sound, and other Washington districts, and the Alaskan district. We find from these figures that the Columbia River chinook salmon sell at the highest price. That is universally true. We find that the Puget Sound sockeyes in recent years sell for the next highest price, and that the Alaska red salmon take third place as to price, and that the other grades, commonly called medium red, pink, and chum, etc., graduate down from these prices in various ratios. There has been a good deal of fluctuation in these prices.

For instance, referring to the Columbia River chinooks, I find that the price, which is quoted by the dozen cans—that is, a quarter of a case—has fluctuated from 1902, at \$1 35, to 1911, when it reached \$1.95. The price of Puget Sound sockeyes has fluctuated from 1902, when it was sold at \$1 05, to 1911, when it reached the unprecedented price of the Columbia River chinooks of that year, \$1.95, the highest price ever known.

The Alaska red salmon sold in 1902 at 92½ cents as against \$1.05 for Puget Sound red or sockeye salmon. In 1903 the price of Alaska reds was \$1.25 per dozen. In 1904 it was \$1.10 per dozen, and in 1905 it was 95 cents.

In that connection, I desire to say that while the market opened at 95 cents, it fell very shortly to 85 cents, and the great bulk of the pack of 1905 and the enormous carry over from 1904 were marketed on the basis of 85 cents per dozen. That is the year that salmon packers lost so much money generally.

In 1906 the opening price was again 95 cents. In 1907 it was \$1 15; 1908, \$1.15; 1909, \$1.15; 1910, \$1.35; and last year, 1911, \$1 60, which is likewise the highest price which has ever been known for Alaska red salmon.

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Mr. DORR. Doctor, the traps at Bristol but down in Icy Straits and in Central tions, and the bill limits the low.

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... (1911), at Pacific coast rail terminals, Seattle, and, San Francisco.

... per case. The averages are based on the prices of 1-pound ... is the standard style of package.]

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	Average.	
											Dozen.	Case.
Alaska red	1.35	1.65	1.65	1.45	1.45	1.45	1.45	1.45	1.35	1.35	1.57	6.28
Alaska pink	1.75	1.75	1.75	1.60	1.55	1.55	1.45	1.45	1.45	1.45	1.57	6.28
Alaska chinook	1.10	1.05	1.05	1.00	.90	.90	.85	.85	.85	.85	1.50	6.02
Alaska salmon	1.45	1.35	1.00	1.65	1.45	1.35	1.50	1.50	1.05	1.05	1.50	6.02
Alaska trout	1.50	1.50	1.75	1.80	1.60	1.50	1.60	1.60	1.15	1.15	1.50	6.02
Alaska haddock	1.10	1.00	1.05	1.10	1.00	1.00	.95	1.00	.85	.85	1.07	4.28
Alaska cod	1.25	1.05	1.00	1.00	.90	.85	.85	.85	.85	.85	1.07	4.28
Alaska herring	1.40	1.20	1.10	1.15	1.00	1.00	.75	.75	.75	.75	.77	3.08
Alaska mackerel	.90	.70	.75	.80	.75	.75	.75	.75	.75	.75	.77	3.08
Alaska sardines	1.00	.00	.70	.80	.75	.75	.75	.75	.75	.75	.77	3.08
Alaska anchovy	1.15	.60	.80	.90	.75	.75	.75	.75	.75	.75	.77	3.08
Alaska capelin	.775	.65	.65	.65	.65	.65	.65	.65	.65	.65	.65	2.60
Alaska herring	.95	.775	.575	.70	.70	.70	.70	.70	.70	.70	.75	3.00
Alaska cod	1.85	1.35	1.10	1.05	.95	1.05	1.20	1.20	1.20	1.20	1.22	4.90
Alaska salmon	1.00	1.35	1.15	1.15	1.15	.95	1.95	1.10	1.25	.925	1.15	4.63
Alaska trout	1.75	1.50	1.35	1.35	1.35	1.15	1.15	1.35	1.10	1.10	1.10	4.63
Alaska haddock	1.15	1.00	.85	.90	.95	.85	.85	.85	.80	.775	.775	3.08
Alaska cod	1.45	1.25	1.05	1.00	1.00	.90	.85	.95	.825	1.03	1.03	4.14
Alaska herring	1.00	1.40	1.20	1.10	1.15	1.00	.75	.75	.75	.75	.75	3.08
Alaska sardines	1.00	.70	.70	.70	.75	.75	.75	.75	.75	.75	.75	3.08
Alaska anchovy	1.00	.80	.60	.70	.80	.75	.75	.75	.75	.75	.75	3.08
Alaska capelin	1.15	.60	.80	.90	.75	.75	.75	.75	.75	.75	.75	3.08
Alaska herring	.95	.775	.575	.70	.70	.70	.70	.70	.70	.70	.75	3.00

... over from previous year—Pink salmon runs only every other year in Puget Sound.
 * Promptly reduced to 85 cents, and practically all sales were made on this basis, including tremendous runs over from 1904.
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Average price Alaska red, dozen, \$1.15; cases, \$4.63; average price Alaska pink, dozen, \$0.795; cases, \$2.94; average price of both—dozen, \$0.94625; cases, \$3.785.

These prices are made annually at the close or nearly the close of the packing season. When the quantity has become approximately known and the market conditions generally understood, the packers put out their prices.

The CHAIRMAN. Do they hold meetings to discuss the matter?

Mr. DORR. No; I understand they do not, but some of the larger ones generally name the prices and the smaller ones either fall in, or, as is more customary, underquote by a few cents. For instance, in 1905, I have given the general opening price at 95 cents per dozen. As a matter of fact the Alaska Packers' opening price was \$1. Most others opened at 95 cents.

The CHAIRMAN. That is the price they quote to the jobbers?

Mr. DORR. That is the price they quote to the jobbers.

The CHAIRMAN. Now, do they have any agreement or understanding with the jobbers that they shall not sell at less than a certain rate?

Mr. DORR. Absolutely not. Salmon is sold in the market to anyone who wants it and there are no restrictions on it at all.

Mr. MOSER. Will you permit me to say in this connection that so far as the company I represent is concerned, we hold absolutely no conference with anyone else in naming the price. The price is set by the president of the association after deliberating on the matter and ascertaining the condition of the market and the condition of the pack, and there is no communication with other canners whatsoever.

The CHAIRMAN. After you sell to the jobber, you have nothing whatever to do with the product or the price?

Mr. MOSER. We have nothing whatever to do with that. We have nothing to do with the price.

The CHAIRMAN. You have no understanding with him as to what his price shall be?

Mr. MOSER. None whatever.

Mr. BROWNE. May I interrupt just a moment to quote from a telegram of the Alaska Packers' Association dated May 2, 1910, confirmatory of what Capt. Moser has said. It reads:

The president of the company has sole authority to name prices and this is done after thoroughly examining into condition of markets, quantity of old stocks on hand, etc., and after conference with our largest purchasers, but never with any other salmon canners or representatives or brokers of other concerns. The association does not fix prices for any goods not packed by the company itself, nor does it purchase or deal in salmon not packed by itself, nor has it ever attempted to influence prices of other salmon canners.

The CHAIRMAN. To whom was that sent?

Mr. BROWNE. To Britton & Gray, and it is part of the record of the House Committee on Territories two years ago.

The CHAIRMAN. That was sent to be included in that hearing?

Mr. BROWNE. Yes.

The CHAIRMAN. After the president fixes the prices, do you vary them in any way?

Mr. MOSER. No; we never have.

The CHAIRMAN. Suppose that you find that the market does not take the product at that price, do you hold it over then?

Mr. MOSER. We had a condition of that kind. That was the condition we had in 1904 and 1905, when the price named, if I recollect, was \$1.30, and the market would not take it and we held the salmon.

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Now, the average for Alaska red salmon for these 10 years has been \$1.1575.

The CHAIRMAN. Per dozen cans?

Mr. DORR. Yes, sir; or \$4.63 per case.

The average price of Puget Sound sockeyes for the same period has been \$5 02 per case and the average price for the Columbia chinooks \$6 28 per case. You can, therefore, see that there is about a 30 per cent higher rate prevailing on the average for the Columbia chinook fish than obtained for the Alaska red fish.

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	1911	1910	1909	1908	1907	1906	1905	1904	1903	1902	Average.	
											Dozen.	Case.
Columbia River:												
Chinook talls.....	1.95	1.75	1.65	1.65	1.65	1.45	1.45	1.45	1.35	1.35	1.57	6.28
Chinook flats.....	2.00	1.90	1.75	1.75	1.75	1.60	1.55	1.55	1.45	.....	.....	.....
Chinook halves.....	1.30	1.10	1.05	1.05	1.05	1.00	.90	.90	.85	.....	.....	.....
Puget Sound:												
Sockeye talls.....	1.95	1.65	1.35	1.60	1.65	1.45	1.35	1.50	1.50	1.05	1.50½	6.02
Sockeye flats.....	2.00	1.80	1.50	1.75	1.80	1.60	1.50	1.60	1.60	1.15	.....	.....
Sockeye halves.....	1.30	1.10	1.00	1.05	1.10	1.00	1.00	.95	1.00	.85	.....	.....
Columbia River and Puget Sound:												
Choho talls.....	1.45	1.25	1.05	1.00	1.00	.90	.85	.....	.....	.....	1.07	4.28
Choho flats.....	1.60	1.40	1.20	1.10	1.15	1.00	1.00	.....	.....	.....	.....	.....
Choho halves.....	1.00	.80	.70	.75	.80	.75	.75	.....	.....	.....	.....	.....
Puget Sound:												
Pink talls.....	1.00	.....	.60	1.70	.80	.....	.75	.....	.....	.....	.77	3.08
Pink flats.....	1.15	.....	.60	.80	.90	.....	.....	.....	.....	.....	.....	.....
Pink halves.....	.775	.....	.....	.65	.....	.....	.....	.....	.....	.....	.....	.....
Puget Sound chum talls.....	.95	.775	.575	.70	.....	.....	.....	.....	.....	.....	.75	3.00
Alaska:												
King talls.....	1.85	1.35	1.10	1.05	.....	.....	.95	1.05	.....	.....	1.22½	4.90
King flats.....	.....	.....	.....	.....	.....	.....	.....	1.20	.....	.....	.....	.....
Alaska:												
Red talls.....	1.60	1.35	1.15	1.15	1.15	.95	*.95	1.10	1.25	.925	1.15½	4.63
Red flats.....	1.75	1.50	1.35	1.35	1.35	1.15	1.15	.....	1.35	1.10	.....	.....
Red halves.....	1.15	1.00	.85	.90	.95	.85	.85	.....	.80	.775	.....	.....
Alaska:												
Choho talls.....	1.45	1.25	1.05	1.00	1.00	.90	.85	.95	.....	.825	1.03½	4.14
Choho flats.....	1.60	1.40	1.20	1.10	1.15	1.00	.....	.....	.....	.....	.....	.....
Choho halves.....	1.00	.....	.70	.....	.80	.75	.....	.....	.....	.....	.....	.....
Alaska:												
Pink talls.....	1.00	.80	.60	.70	.80	.75	.75	.70	.50	*.75	.73½	2.94
Pink flats.....	1.15	.....	.60	.80	.90	.....	.....	.....	.....	.....	.....	.....
Alaska chum talls.....	.95	.775	.575	.70	.....	.....	.....	.....	.....	.....	.75	3.00

¹ Carry over from previous year—Pink salmon runs only every other year in Puget Sound.

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Puget Sound:												
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Sockeye flats.....	2.00	1.80	1.50	1.75	1.80	1.60	1.50	1.60	1.60	1.15
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Choho halves.....	1.00	.80	.70	.75	.80	.75	.75
Puget Sound:												
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Red halves.....	1.15	1.00	.85	.90	.95	.85	.8580	.775
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Choho halves.....	1.007080	.75
Alaska:												
Pink talls.....	1.00	.80	.60	.70	.80	.75	.75	.70	.50	*.75	.73½	2.94
Pink flats.....	1.1560	.80	.90
Alaska chum talls.....	.95	.775	.575	.7075	3.00

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Mr. DORR. That is the price they quote to the jobbers.

The CHAIRMAN. Now, do they have any agreement or understanding with the jobbers that they shall not sell at less than a certain rate?

Mr. DORR. Absolutely not. Salmon is sold in the market to anyone who wants it and there are no restrictions on it at all.

Mr. MOSER. Will you permit me to say in this connection that so far as the company I represent is concerned, we hold absolutely no conference with anyone else in naming the price. The price is set by the president of the association after deliberating on the matter and ascertaining the condition of the market and the condition of the pack, and there is no communication with other canners whatsoever.

The CHAIRMAN. After you sell to the jobber, you have nothing whatever to do with the product or the price?

Mr. MOSER. We have nothing whatever to do with that. We have nothing to do with the price.

The CHAIRMAN. You have no understanding with him as to what his price shall be?

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Mr. BROWNE. May I interrupt just a moment to quote from a telegram of the Alaska Packers' Association dated May 2, 1910, confirmatory of what Capt. Moser has said. It reads:

The president of the company has sole authority to name prices and this is done after thoroughly examining into condition of markets, quantity of old stocks on hand, etc., and after conference with our largest purchasers, but never with any other salmon canners or representatives or brokers of other concerns. The association does not fix prices for any goods not packed by the company itself, nor does it purchase or deal in salmon not packed by itself, nor has it ever attempted to influence prices of other salmon canners.

The CHAIRMAN. To whom was that sent?

Mr. BROWNE. To Britton & Gray, and it is part of the record of the House Committee on Territories two years ago.

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	1911	1910	1909	1908	1907	1906	1905	1904	1903	1902	Average.	
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Columbia River:												
Chinook talls.....	1.95	1.75	1.65	1.65	1.65	1.45	1.45	1.45	1.35	1.35	1.57	6.28
Chinook flats.....	2.00	1.90	1.75	1.75	1.75	1.60	1.55	1.55	1.45
Chinook halves.....	1.30	1.10	1.05	1.05	1.05	1.00	.90	.90	.85
Puget Sound:												
Sockeye talls.....	1.95	1.65	1.35	1.60	1.65	1.45	1.35	1.50	1.50	1.05	1.50½	6.02
Sockeye flats.....	2.00	1.80	1.50	1.75	1.80	1.60	1.50	1.60	1.60	1.15
Sockeye halves.....	1.30	1.10	1.00	1.05	1.10	1.00	1.00	.95	1.00	.85
Columbia River and Puget Sound:												
Choho talls.....	1.45	1.25	1.05	1.00	1.00	.90	.85	1.07	4.28
Choho flats.....	1.60	1.40	1.20	1.10	1.15	1.00	1.00
Choho halves.....	1.00	.80	.70	.75	.80	.75	.75
Puget Sound:												
Pink talls.....	1.0060	1.70	.807577	3.08
Pink flats.....	1.1560	.80	.90
Pink halves.....	.77565
Puget Sound chum talls.....	.95	.775	.575	.7075	3.00
Alaska:												
King talls.....	1.85	1.35	1.10	1.0595	1.05	1.22½	4.90
King flats.....	1.20
Alaska:												
Red talls.....	1.60	1.35	1.15	1.15	1.15	.95	* .95	1.10	1.25	.925	1.15½	4.63
Red flats.....	1.75	1.50	1.35	1.35	1.35	1.15	1.15	1.35	1.10
Red halves.....	1.15	1.00	.85	.90	.95	.85	.8580	.775
Alaska:												
Choho talls.....	1.45	1.25	1.05	1.00	1.00	.90	.85	.95825	1.03½	4.14
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Mr. DORR. I think Capt. Moser is mistaken in saying they never vary. They did vary in 1905. His company did vary in 1905 as I

have explained. They opened the price at \$1. Most of the other packers opened their price at 95 cents. The market did not respond even to the 95-cent price, and on account of the large quantities of salmon that had been unsold in the previous year the price was reduced to 85 cents.

Mr. MOSER. Yes; I recollect that was the exceptional case.

The CHAIRMAN. That very seldom occurs?

Mr. MOSER. It is not a usual thing at all. It is not customary at all.

Mr. DORR. It is not usual; the prices that are generally fixed obtain, and the packers have tried to regulate their prices according to market conditions and the output and the various other elements that enter into price making.

Mr. WICKERSHAM. Captain, may I ask you a question? Do you ever make any arrangement or agreement, tentative or otherwise, prior to the delivery of your pack in San Francisco or Seattle, for its sale?

Mr. MOSER. With whom?

Mr. WICKERSHAM. With any person; for its sale.

Mr. MOSER. We sell no salmon at all to the jobbers direct; practically none. All our salmon is sold through two agencies.

Mr. WICKERSHAM. What agencies are they?

Mr. MOSER. Balfour, Guthrie & Co., who handle our European salmon, and J. K. Armsby Co., who handle our domestic salmon.

Mr. WICKERSHAM. Do you make arrangements with them in advance of the delivery of the pack to you in San Francisco or Seattle for the sale of any portion of the pack?

Mr. MOSER. We get their orders prior to the arrival of the goods in San Francisco. They know about what their orders call for, and deliveries are then made on those orders on the arrival of the salmon.

Mr. WICKERSHAM. Have you made your arrangement with them this year?

Mr. MOSER. Not yet; no.

Mr. WICKERSHAM. How soon will that be made?

Mr. MOSER. I do not think the returns will come in until about July or August. We usually aim to consider the price about August. By that time we expect to get their returns in as to what the pack is. We are then able to say to the agents, "We can deliver to you so much salmon." For instance, last year, the orders for the sockeye salmon far exceeded the amount which we could supply and we were obliged to serve it out pro rata. Then they in turn had to cut their buyers down.

Mr. WICKERSHAM. What was the situation a year before that with respect to the delivery of salmon to your buyers; did you have enough? You have been speaking of 1911. Now, take 1910.

Mr. MOSER. I think 1910 was also somewhat short. I am not certain about that, however.

Mr. WICKERSHAM. Is not that the usual situation, Captain?

Mr. MOSER. That we are short?

Mr. WICKERSHAM. Yes.

Mr. MOSER. Oh, no. Within the last few years we have not had a large carry-over, but usually we have had a large quantity to carry over.

Mr. WICKERSHAM. I have noticed in a good many papers out there, and especially in this Pacific Fisherman, statements that the salmon was all sold in advance of its arrival.

Mr. MOSER. Why, Judge, I should think that there were probably—I am guessing now—400,000 cases of the 1911 pack still in the hands of the canners or their agents.

Mr. WICKERSHAM. Where is this salmon?

Mr. MOSER. It is in different places. Some of it has been shipped to New York and held in warehouses there. Some is held on the coast in warehouses.

Mr. WICKERSHAM. It is sold to buyers?

Mr. MOSER. No; some is shipped there and held for orders. We have in our own company many years ago shipped salmon to England and warehoused it there, subject to order.

Mr. WICKERSHAM. I wanted to mention that because later I want to call the attention of the committee to some statements of that kind.

The CHAIRMAN. You say you dispose of your salmon through two agencies?

Mr. MOSER. Two agencies.

The CHAIRMAN. What arrangements do you make with those agencies for the disposition of your salmon? How do you dispose of it? Take, for instance, Balfour, Guthrie & Co.; what arrangements do you make with them?

Mr. MOSER. They look up their salmon market and see what supplies they desire for their trade, and they inform us as to the number of cases they want shipped to maintain it to Liverpool or London. The J. K. Armsby Co. does the same with their customers or the people they supply. Then we know what the pack is, and that pack is distributed among these different people.

The CHAIRMAN. What different people?

Mr. MOSER. J. K. Armsby Co. and Balfour, Guthrie & Co.

The CHAIRMAN. These are the two agents that you deal with?

Mr. MOSER. Yes.

The CHAIRMAN. Do you ascertain from them what orders they have to fill?

Mr. MOSER. We do. They give us their orders to ship, and we place the salmon on the cars and on the wharves near the transporting steamer.

The CHAIRMAN. So you find out what orders they have to fill before you fix the price at which you are going to sell to them?

Mr. MOSER. We confer with them and find out what their demand is. We ascertain first what the market condition is, and that is by ascertaining what their demand is—the amount they desire, approximately. That is a consideration in fixing the price.

The CHAIRMAN. Well, do they go into detail as to the orders that they have and the different people from whom they get orders?

Mr. MOSER. No; only in a general way.

The CHAIRMAN. They simply come to you and say: "We will want so many cases this year."

Mr. MOSER. Well, I think more in detail than that probably. They will probably say, "We want so many cases shipped to Boston this year, so many cases shipped to New York, so many cases shipped to Cincinnati," and so on.

The CHAIRMAN. You sell your salmon direct to them, do you?

Mr. MOSER. Yes. We get the money from them as soon as the salmon is on the transporting agency car or vessel and they get the bill of lading.

The CHAIRMAN. So they dispose of that product without consulting you?

Mr. MOSER. We have nothing to do with the distribution. We sell the salmon direct to the agents, and we get the money as soon as it is on the transporting medium.

Mr. DORR. I think I can elucidate that matter a little further, if you wish.

The CHAIRMAN. All right.

Mr. DORR. Salmon is generally, almost universally, sold through brokers, as Mr. Madison stated last night.

The CHAIRMAN. Do you mean that these companies operate through brokers?

Mr. DORR. I mean that the product is sold by the company through brokers or agents—salmon brokers as they are called, merchandise brokers. For instance, J. K. Armsby Co., to which Capt. Moser has referred, is one of the largest brokers in the United States. That firm ranks up among the largest, and they handle California products—dried fruit, lima beans, walnuts, raisins, canned fruit, and also canned salmon. They are merchandise brokers with many offices throughout the United States, traveling salesmen, etc. There is another large brokerage concern in San Francisco that is engaged in the same business; that is the Griffith-Durney Co.

We have another very large concern at Seattle, The Kelly-Clark & Co., who are engaged in similar lines of business. We also have another very large concern in Seattle, Gorman & Co.

The Deming-Gould Co., of Chicago, is another very large merchandise brokerage house; these people that I have mentioned and many others sell salmon to the jobbers.

The CHAIRMAN. But your company does not deal with these people?

Mr. DORR. These various companies all deal with some of them, practically all the canned salmon is sold by regular salmon brokers.

The CHAIRMAN. I am talking about the Alaska Packers' Association now.

Mr. DORR. I can explain that in a moment. They do with very slight exceptions, such as Mr. Madison mentioned, and which cover but an infinitesimal quantity. He says he does not use the general broker because he is in other lines of business and does his own selling through eastern brokers and it is a less percentage.

These brokers universally get 5 per cent for commissions and that is what J. K. Armsby Co. get. While they take the salmon and pay for it, as Capt. Moser has stated, yet they do not agree to buy a single case of it until they have it sold, and after it is sold, they take it and ship it or order the company to ship it to the buyers.

The CHAIRMAN. How can they sell it then? How can they make a contract for the sale of the commodity before they know what the price is?

Mr. DORR. They do not do that, Senator, at all, except in this way, and in this answer I will cover Judge Wickersham's question asked a

moment ago: All these brokers have their general trade more or less established; that is, they have their line of customers, but there is fierce competition among them. It is their custom every spring to send out inquiries to their customers as to the quantity of salmon they desire, and to accept what is called in the trade parlance "orders subject to approval of price."

For instance a concern in this city—and there are some here—will send to one of these brokers a conditional order for a carload of salmon subject to the approval of the price when made. They do not know what the price is, and there is no obligation on their part to take a single case of the salmon unless they accept it at the price when it is made.

The object of doing that is to ascertain in advance where the distribution will likely take place, so as to facilitate the shipments. Canned salmon is an annual product, and it all comes down at about the same time in the fall, within a few months, and there is a great congestion and much trouble in getting it off. Therefore the brokers try in every possible way to anticipate sales and distribution.

When the prices are made, then the word goes out to their customers that Alaska red salmon is held at such and such a price, coho at such and such a price, pink at such and such a price. If these buyers want it at that price, they confirm their orders, usually by telegraph, sometimes by mail, and the approval constitutes a contract. These brokers receive 5 per cent, and that is what J. K. Armsby Co. receive for their part of the transaction. That is selling cost to the packer 5 per cent of the selling price, but he has to stand all the costs of handling, draying, warehousing, etc.

Some of them bill direct—that is, the brokers bill direct. In other cases the canners bill direct or bill through the brokers.

Salmon is all sold for cash subject to payment in 10 days after acceptance of draft. Drafts are drawn against bills of lading. When the salmon goes on board the car, the negotiable bill of lading is issued; a 10-day draft is drawn against that shipment and forwarded to the customer, and he takes it up.

In addition to the 5 per cent commission, which is universal, $1\frac{1}{2}$ per cent discount is allowed to the buyers.

The CHAIRMAN. Does the Alaska Packers' Association pay 5 per cent commission to Balfour, Guthrie & Co.?

Mr. DORR. Yes; but not in the same way. I think in the Balfour, Guthrie instance they figure on a 5 per cent commission basis and cut the price to them to that extent, but they actually sell outright to them.

The CHAIRMAN. I understood from Capt. Moser a while ago that they sell direct to Balfour, Guthrie & Co.

Mr. MOSER. We do; it is a flat price.

The CHAIRMAN. There is no commission proposition about it. They are not acting as brokers.

Mr. DORR. I am speaking of the American trade, when I mention the 5 per cent commissions.

The CHAIRMAN. I wanted to get at the Alaska Packers' Association.

Mr. DORR. For the European end or the United Kingdom trade, they sell to Balfour, Guthrie & Co., who are merchants. They are not

brokers in the sense I have been using the term as applied to the American end of the business.

The CHAIRMAN. I understand they do their business through two agencies: Balfour, Guthrie & Co. and the J. K. Armsby Co.

Mr. DORR. Mr. Moser should more properly have said through two channels, because the American part of their business is done through an agency proper and the European part sold to a large mercantile house.

The CHAIRMAN. Then it is disposed of through agents?

Mr. DORR. Balfour, Guthrie & Co. is the largest merchandise concern in the world.

Mr. WICKERSHAM. Where is their place of business?

Mr. DORR. In Liverpool and London.

Mr. WICKERSHAM. But they have an agency in Tacoma.

Mr. MOSER. They have one in Portland, Tacoma, San Francisco, Boston—

Mr. DORR. And New York, Seattle, and many other cities.

Mr. WICKERSHAM. An agency is all they have at these places.

Mr. DORR. They have a business there and they handle merchandise there, but they do not buy salmon for the American trade. They buy a good many other things for the American trade, however.

The CHAIRMAN. What is this other agency?

Mr. MOSER. The J. K. Armsby Co.

The CHAIRMAN. Do you sell to them direct or do they act as brokers in disposing of your product?

Mr. MOSER. I should say we sold direct to them in this way: We deliver the goods under the orders which they give us and they pay for those goods direct as soon as they are on the cars. We have nothing whatever to do with the sale of the goods.

The CHAIRMAN. It seems to me it ought to be an easy matter to determine whether or not you sell direct to these people. If I go to a man and say, "I want a case of salmon," and he sells it to me, it ought to be easy to tell whether or not he is an intermediate selling party, whether he acts for himself, or whether he is the agent of some one else in disposing of some one else's goods.

Mr. DORR. I think I explained that. I will be glad to try again if I did not make it clear. In that instance—I happen to know all about it—they act as agents in placing the orders. After they get an order, so that they know the goods are sold, then they come over and accept the delivery of the goods for that order and pay for them; but they are paid for their services on the 5 per cent basis just the same.

The CHAIRMAN. Then they act as agent and not as buyer outright?

Mr. DORR. Yes.

The CHAIRMAN. That is what I wanted to get.

Mr. MOSER. We have nothing to do with their customers in any way.

The CHAIRMAN. But they are your agents, notwithstanding the fact that you have nothing to do with their customers.

Mr. MOSER. We bill directly to the J. K. Armsby Co. and they do all the billing to their customers.

Mr. WICKERSHAM. Your payment was so much money?

Mr. MOSER. Yes.

Mr. WICKERSHAM. And you do not pay them 5 per cent commission?

Mr. MOSER. The J. K. Armsby Co. gets a 5 per cent commission.

Mr. DORR. They get 5 per cent commission and they guarantee the deliveries. That is what it amounts to.

The CHAIRMAN. You do not recognize them as the outright buyers?

Mr. MOSER. Yes, we do.

Mr. DORR. I do not think they are.

The CHAIRMAN. I do not think they are, either.

Mr. WICKERSHAM. In this case I am afraid the jury is divided. I agree with the captain.

Mr. MOSER. The goods belong to them as soon as they are placed on the cars.

The CHAIRMAN. What do you pay the 5 per cent commission for?

Mr. MOSER. They have their trade to maintain.

The CHAIRMAN. You do that out of the profit on what they pay to you?

Mr. MOSER. These are the prices to jobbers.

The CHAIRMAN. Yes; but they do not get any advances over the price?

Mr. MOSER. No.

The CHAIRMAN. So they are simply your agents?

Mr. MOSER. Well, I think it is rather a fine distinction which I do not appreciate perhaps.

The CHAIRMAN. I think it is a very plain distinction myself.

Mr. DORR. I have always understood it to be an agency, and I can not look at it in any other way. They do not bind themselves to take a case of salmon if it is not sold by them.

Mr. WICKERSHAM. Captain, you do not sell to anybody else except the J. K. Armsby Co. and Balfour, Guthrie & Co.?

Mr. MOSER. Well, we do sell a little salmon to the Army and a little salmon to the Navy, and I think—although I have never had anything to do with the selling end—that is about all.

Mr. WICKERSHAM. And you have a contract with the J. K. Armsby Co. and Balfour, Guthrie & Co. to take these salmon?

Mr. MOSER. Yes.

The CHAIRMAN. Do you have a contract with them—for instance, have you now a contract with them to take all of this year's pack?

Mr. MOSER. No.

The CHAIRMAN. What is your understanding with them now?

Mr. MOSER. We simply fill what orders they may receive. We expect them, however, to take their quota of the goods.

The CHAIRMAN. That is, you fill the orders that Balfour, Guthrie & Co. receive?

Mr. MOSER. Yes.

Mr. DORR. You do not sell them any salmon without requiring them to take orders, Captain?

Mr. MOSER. No.

The CHAIRMAN. You do not sell Balfour, Guthrie & Co. anything that their orders do not cover?

Mr. MOSER. Yes, we do.

The CHAIRMAN. That is what we want to get at; the distinction between those two agencies.

Mr. DORR. I think there is a wide distinction between those two agencies.

Mr. MOSER. Balfour, Guthrie & Co. take our salmon to London or Liverpool and hold it there until they get orders for it.

Mr. DORR. In 1904 when all these salmon were unsold The J. K. Armsby Co. did not market it. They had no responsibility in this matter. It was all carried in the warehouses by the Alaska Packers' Association.

The CHAIRMAN. The Alaska Packers' Association carried it?

Mr. DORR. They carried it and they paid the interest and carrying charges on it, and that is what they do every year.

The CHAIRMAN. Balfour, Guthrie & Co., however, buy all they carry.

Mr. DORR. If Balfour, Guthrie & Co. buy a block of salmon it is theirs. They buy as merchants and do not act as brokers.

Now, it is customary with all these companies to have one selling agency. They do not take their packs and divide them between different agents.

The Northwestern Co., for instance, which Mr. Webb represents, does its business exclusively through the Kelly-Clark Co. agency and substantially in the same way, excepting I do not know the details about settlement. But I know it is an agency, and I know their commission is 5 per cent, and I know that they are not responsible for any salmon until it is sold. Whether they do the billing direct or whether they get the bills from the house and then transmit them through the mails I do not know. That is a mere matter of detail, but all the American business, with such very slight exceptions as Mr. Madison mentioned, which do not amount to anything in the aggregate, is all carried on through these selling agencies.

Now the packers after a number of years of experience—and that is the reason the Alaska Packers' Association does their business in that way—have found it cheaper and better for them to find their markets through these established brokers, who have offices in the different cities and who handle other lines of business and are constantly in touch with the jobbing trade, than to market their product themselves. They found they could do it cheaper through the brokers, and the 5 per cent commission has been the prevailing commission. That has been the commission as long as I have known anything about this business, which has been for the past 20 years.

Mr. MOSER. May I ask one question of Mr. Dorr? Of course Mr. Dorr knows more about the selling end of the business than I do. He has been in contact with that proposition and I have not. Is it not a fact, however, that The J. K. Armsby Co. have at times taken a large amount of salmon and warehoused them in New York, for example?

Mr. DORR. Never to my knowledge for their own account; they have warehoused salmon many times for the Alaska Packers' Association.

Mr. MOSER. It seems to me that I have some recollection of their having done so.

Mr. DORR. I have no knowledge or information and have never heard of an instance where they bought a case of salmon on their own account.

Mr. WICKERSHAM. You have been connected with that company for a great many years?

Mr. DORR. I was connected with the Alaska Packers' Association for eight years, and during that time nothing of that kind occurred to my knowledge.

Mr. WICKERSHAM. Let me ask you a question about the selling price to Balfour, Guthrie & Co. and the J. K. Armsby Co. What was the difference in selling price to those two firms last year?

Mr. DORR. Well, Capt. Moser gave the selling prices.

Mr. MOSER. It is in the table which I submitted—the prices we receive.

Mr. DORR. I can not speak of that.

Mr. MOSER. It was on a basis of——

Mr. WICKERSHAM. Take red, for instance.

Mr. DORR. Yes, take red, for instance, Captain.

Mr. MOSER. Six net to us; net price, commission to brokers not included.

Mr. DORR. Now, then, \$6 net was equivalent to \$6.40 to the trade less 5½ per cent. You figure it out and it will come out that way within one cent.

Mr. MOSER. \$6.01.

Mr. WICKERSHAM. Did you get the same price from Balfour, Guthrie & Co. that you did from J. K. Armsby Co.?

Mr. MOSER. I am unable to state that; but I should say yes, because it is based upon that figure.

Mr. DORR. You mean net price?

Mr. MOSER. Net price.

The CHAIRMAN. These agencies, however, have to sell at the price you fix?

Mr. MOSER. That is the price to the jobbers.

The CHAIRMAN. Yes; and if they do not get orders at that price they can not sell?

Mr. MOSER. They can not sell.

Mr. DORR. That is correct; and if there is to be any modification of the price the packer has to agree to it. In other words, the broker is simply the selling agent. He has no control over the price except that given to him by the packer. I think that is generally true.

Mr. WICKERSHAM. Captain, you put up something over 1,000,000 cases of Alaska salmon last year?

Mr. MOSER. No; not 1,000,000 cases.

Mr. WICKERSHAM. What proportion of what you did put up went foreign?

Mr. MOSER. We did not put up 1,000,000 cases of Alaska salmon.

Mr. WICKERSHAM. Well, I find that statement in this "Pacific Fisherman."

Mr. MOSER. That takes in our Puget Sound pack, I suppose.

Mr. WICKERSHAM. Yes; it does. One hundred and eighty-nine thousand two hundred and eighty-six cases of salmon. So it is a little less than a million cases. Eight hundred and sixty-three thousand seven hundred and thirty-nine cases of Alaska salmon.

Mr. MOSER. Yes; 863,739 cases.

Mr. WICKERSHAM. How much of that went foreign? How much of it did you sell to Balfour, Guthrie & Co.?

Mr. MOSER. I am unable to say, Judge. I stated here the other day as to about the amount of salmon in a general way that was used

throughout the different countries on the basis of a 5,000,000 pack for the Pacific coast.

Mr. WICKERSHAM. But you can not tell how much of that went foreign?

Mr. MOSER. I could not tell you how much Balfour, Guthrie & Co. got of that. I would not like to guess at it and have it go into the record.

The CHAIRMAN. What proportion of your product generally do they take? You must have some idea of that, Captain.

Mr. MOSER. About one-third of it, I should say.

Mr. DORR. Now, speaking generally as to the distribution of salmon, which I will bring in just at this point, I have made some figures on that, and my judgment is that of all the Pacific coast pack, including British Columbia, Alaska, and the States, one-half is consumed in the United States.

Mr. MOSER. And in Canada, too, is it not?

Mr. DORR. No; in the United States proper. That is the way I figure it, Captain. I may disagree with you a little, but that is the conclusion I have come to from the statistics I have been able to get. The United Kingdom of Great Britain buys about nine thirty-seconds, the United States takes about sixteen thirty-seconds, Canada two thirty-seconds, Australasia one thirty-second, and the balance, four thirty-seconds, is distributed in other countries.

Mr. WICKERSHAM. How much of it goes to Japan?

Mr. DORR. Very little; scarcely any. The Japanese have their own salmon, in the first instance, and in the next place what they do take from Alaska is either the very lowest, cheapest grade, in small quantities, or else what we call dog salmon in Alaska, dry salted. The canned salmon for the Japanese trade is infinitesimal. Very little of it goes to the Philippine Islands. Quite a good deal of it goes to the United States Army and the United States Navy. Salmon has become of recent years a standard ration both in the Army and the Navy.

Mr. MOSER. The market is opening now in a small way in the Philippines and I may also say that so far as Japan is concerned. During the Japanese war with Russia there was a little shipment made to Japan for their army.

Mr. DORR. Going back to prices for a moment; the average price of Alaska red salmon for the last 10 years has been \$4.63 per case, and the average price for pink salmon for the same period has been \$2.94 a case.

Mr. WICKERSHAM. Now, say that again, please.

Mr. DORR. The average price to the trade at Pacific coast rail terminals for Alaska red salmon for the last 10 years has been \$4.63 per case, and the average price of Alaska pink salmon, covering the same period of time, at the same terminals, has been \$2.94 per case, and the average of both \$3.785 per case.

Mr. WICKERSHAM. I find here in the Pacific Fisherman a statement that last year, 1911, there was 1,320,705 cases of Alaska red canned of the value of \$8,552,512. Something like that. How much is that a case?

Mr. DORR. About \$6.40, I think.

Mr. WICKERSHAM. Per case?

Mr. DORR. And that is the figure I have taken here as the highest figure.

Mr. WICKERSHAM. Have you examined these statistics in this Pacific Fisherman?

Mr. DORR. Yes.

Mr. WICKERSHAM. Are they generally correct?

Mr. DORR. As far as I know I think they are.

Mr. WICKERSHAM. That is all. I will ask to put them into the record when we come to that.

The CHAIRMAN. Yes; when the time comes.

The table mentioned in the foregoing statement is as follows:

Comparative tax statement.

	Oregon.	Washington.	British Columbia.	Alaska law.	Senate bill No. 5856.
Cannery tax.....	2 cents per case.	1 cent per case..	\$50 and \$100 per year and \$100 for each additional line of machinery equals 1 cent or less per case.	4 cents....	5 cents to 11 cents.
Traps.....	\$25.....	\$10, \$25, \$50, and 1/2 cent per fish.	\$50.....	.....	\$100.
Drag seines.....	3 cents per foot.	1 cent to 3 cents per foot.	\$50.....	.....	1 cent per fathom equals \$2 to \$5.
Gill nets.....	\$5.....	\$5.....	\$5.....	.....	1 cent per fathom equals average of \$2.
Set nets.....	\$2.....	\$2.50.....	.....	.....	1 cent per fathom.
Wheels.....	\$25, \$35....	\$10, \$15, \$25....	.....	.....	1 cent per fathom.
Purse seines.....	.....	\$25, \$50.....	\$25.....	.....	30 cents per fathom equals \$50 to \$100 each.

Mr. BROWNE. I may add an interesting bit of information. When the Spanish War broke out the nutritive qualities of salmon—that is, canned salmon—was made the subject of very thorough investigation by the War and Navy Departments, and it was based on that investigation that the purchase of salmon as the fish ration was made.

Mr. WICKERSHAM. That was the time they first purchased Alaska salmon?

Mr. BROWNE. Yes. In the Navy—I think it was in the Navy—they could buy it because there was no fixed ration such as was the rule in respect to the Army ration. Both the Army and Navy buy it now, and it is shipped and used largely in the Philippines and on our naval vessels on account of its nutritive qualities.

Mr. WICKERSHAM. Do you happen to remember, Judge Browne, how much the Government paid for Alaska red salmon?

Mr. BROWNE. I have not the data as to that, Judge. My argument was to submit the matter in such form to the Army and Navy authorities here as would get that investigation and bring about the adoption of the canned salmon as the fish ration in the Army and Navy service. I never heard about prices in connection with it at all. That is germane to the subject under discussion, however, and I thought I would like to have it in the record.

Mr. DORR. In 1897 this occurred, or 1898?

Mr. BROWNE. Yes; it was at the time of the Spanish War.

Mr. DORR. Red salmon generally then was worth about 90 cents a dozen.

Mr. WICKERSHAM. To the general trade?

Mr. DORR. To the general trade, yes.

Mr. WICKERSHAM. It is easy to ascertain what the Government paid by application to the War Department.

Mr. BROWNE. It was not a very extensive purchase. It was the beginning.

Mr. DORR. Next I desire to introduce a statement that I have compiled, estimating the cost of a thousand cases of salmon, packed in Alaska and sold at Seattle or delivered to Seattle for shipment under present existing conditions.

When I speak, as I have several times, about the prices being made at Pacific coast rail terminals, I wish to emphasize the fact that the transportation from Alaska to these terminals has to be paid by the packers, and the salmon packers that are engaged in the business in Alaska must not only pay the transportation upon the finished product down, but they have to pay the transportation on all the material and men they take up. So far as my information goes it has led me to these conclusions: The transportation cost may be fairly estimated at 36 cents a case. That expense is in the matter of transportation alone. The Alaska salmon canners are at a disadvantage as compared with their competitors who operate on Puget Sound, the Columbia River, or any place close to rail transportation. The former are not only under a disadvantage in the matter of transportation, but, as has already been quite thoroughly explained by several of the witnesses, they are at a disadvantage in the matter of labor, because the latter are able to draw a good deal of this emergency labor that is required when the runs of fish are on and the canneries are congested from local sources in the towns.

For instance, at Bellingham, where the largest individual cannery in the world exists, they employ a great many girls, women, and men for short periods of time, school girls and boys during the summer vacations, when they need extra help or an extra quantity of help. This can not be accomplished in Alaska, because there is no help to draw from there except the natives, and they do not fill the emergency demand.

The CHAIRMAN. Let me ask you right here, Mr. Dorr, does the Alaska Packers' Association do its own transportation?

Mr. DORR. Yes, sir; altogether.

The CHAIRMAN. It does it altogether?

Mr. DORR. Altogether; with the fleet of vessels Mr. Moser has exhibited.

The CHAIRMAN. And what other cannery associations or companies do their transportation in Alaska?

Mr. DORR. All of those who operate in Bristol Bay are of necessity required to do their own transportation. Some few of those who operate in other places do their own transportation. In central Alaska and in southeastern Alaska it is customary in most cases, I think, to hire the transportation from regular transportation companies.

Mr. WICKERSHAM. That is, the boats running up and down southeastern Alaska stop at the canneries and load?

Mr. DORR. They do. They take the provisions, men, and materials up in the spring and return the finished product and the men in the fall. That condition extends as far as Seldovia, all along the coast, Yakutat, and up to Cook Inlet.

Mr. WICKERSHAM. As far as the regular steamers run?

Mr. DORR. Yes; as far as the regular steamers run.

The CHAIRMAN. About what proportion of the pack would you estimate is transported by the packers themselves?

Mr. DORR. Probably half of it.

Mr. MOSER. Practically all transportation by the companies themselves is done outside of southeast Alaska.

Mr. DORR. In this estimate of the cost—the present-day cost—of the pack, I have taken the principal items of material that are consumed; that is, which enter into the actual constituency of the fishery product, such as tinplate, solder, the boxes themselves, labels, salt, and the lacquer that goes upon the can after it is finished. I have taken these at current market prices at Seattle.

White labor is estimated at 60 cents per case; Chinese labor at 50 cents per case; provisions for the commissary department 30 cents per case. Fishing gear, 12 cents per case—that is the average for all gears, including wear and tear on the nets from year to year, etc.—fuel, 10 cents per case.

This fuel is not as much on my general average as it would be in the case of the Alaska Packers' Association where they do their own transportation. I want to emphasize the fact again that this is a general average statement of everybody for the whole district as near as I could make it up.

Transportation up and down, 36 cents per case; insurance, marine and fire, 20 cents per case; interest on the outfit, 6 cents per case; overhead charges, 15 cents per case; depreciation, plants and machinery, 10 cents per case; storage, wharfage, and handling at Seattle, 5 cents a case.

I might say at this point that our wharfage charges are much higher in Seattle than they are in San Francisco, where they have State tolls. There they pay 5 cents per ton wharfage while we have to pay 25 and more cents per ton under private ownership.

The selling cost on a basis of a four-dollar price is 26 cents per case. That means 5 per cent to the broker and $1\frac{1}{2}$ discount to the buyer, which must come out of this composite price in order to get the net result to the packer. The total of that compilation after the taxes—I have not included any taxes yet—is \$3.68 a case, or \$3,681.60 for a thousand cases, to which we must add the Alaska taxes and all other taxes, and those other taxes include as well the 1 per cent net earnings which is collected by the Federal Government on the income of corporations where it exceeds \$5,000.

If there is any criticism of these figures by the Bureau of Fisheries or by anyone else I would be more than pleased to hear them.

Mr. MOSER. I would like to ask how much the fish is valued at.

Mr. DORR. Fish is not counted here at all. It is included in the labor.

Mr. MOSER. I would like to say this: That we have made an estimate as to what transportation would cost in southeast Alaska, with a view possibly of at some time using the regular lines for transportation. Our estimate was 42 cents a case, if my memory serves me right, instead of 36 cents. This included the cost of transporting the men and the material up and down and the fishery product. I think that Mr. Dorr's estimate is low on that item.

Mr. DORR. I know that transportation, if it is to be purchased from the regular transportation steamers, in many instances will cost more than 36 cents; but I have taken into account in obtaining this figure the facilities and the saving of all the companies that own their own transportation. I have tried to get a general average of the whole district.

Mr. MOSER. Our estimate was based entirely on utilizing the transportation service that is now in operation.

The table mentioned in the foregoing statement is as follows:

Estimated cost of 1,000 cases of salmon packed in Alaska and sold in Seattle.

108 boxes tin plate, at \$4.20 per box.....	\$453. 60
800 pounds solder, at 30 cents per pound.....	240. 00
1,000 cases, at 13 cents per case.....	130. 00
50,000 labels, at 90 cents per thousand.....	45. 00
750 pounds salt, at \$8 per ton.....	3. 00
8 gallons lacquer, at 50 cents per gallon.....	4. 00
50 gallons benzine, at 12 cents per gallon.....	6. 00
White labor, at 60 cents per case.....	600. 00
Chinese labor, at 50 cents per case.....	500. 00
Provisions, at 30 cents per case.....	300. 00
Fishing gear, at 12 cents per case.....	120. 00
Fuel, at 10 cents per case.....	100. 00
Transportation up and down, men, at 6 cents per case.....	60. 00
Transportation up and down, merchandise, at 30 cents per case.....	300. 00
Insurance, marine and fire, at 20 cents per case.....	200. 00
Interest on outfit, at 6 cents per case.....	60. 00
Overhead charges, at 15 cents per case.....	150. 00
Depreciation, at 10 cents per case.....	100. 00
Storage, wharfage, and handling at Seattle, at 5 cents per case.....	50. 00
Selling \$4 basis (1½ and 5 per cent), at 26 cents per case.....	260. 00
	<hr/>
	3, 681. 60

Taxes to be added.

The CHAIRMAN. Now, Captain, can you tell me what the expenditures of your association were last year in connection with the Alaska salmon canneries? That is as to your Alaskan business?

Mr. MOSER. No; I can not, unless we can make that up from the report. You mean what the cost of our total pack was?

The CHAIRMAN. I want your total expenditure with reference to the Alaska output during the last year. I suppose that your company keeps an account of what you spend during the year?

Mr. MOSER. I can find that out.

Mr. DORR. They keep an account with every cannery in the home office.

The CHAIRMAN. I do not care about the particular canneries. I just want the total of their business for that year—their expenditures. Then I want the product. I do not know of any better way to get at the cost of a case of salmon than to find out what you spend in a year and how many cases you produce in a year and divide one by the other.

Mr. MOSER. Yes. Of course, we carry over large inventories. We have large amounts on hand, so that every year we do not have to take that up.

The CHAIRMAN. I want what your expenditures were during one year to take care of your pack.

Mr. MOSER. I will try and get it.

Mr. DORR. It does not matter, Captain, that you have the material on hand carried over from last year. That goes into this year's pack.

The CHAIRMAN. I do not care anything about that; I want to know what the expenditure was. You surely keep an account of expenditures each year.

Mr. MOSER. Oh, yes; we keep a very careful bookkeeping account.

The CHAIRMAN. I want the aggregate expense for last year and the amount of the pack.

Mr. WICKERSHAM. You want the aggregate amount of material sent to Alaska, the amount brought back, and the figure at which it was sold?

The CHAIRMAN. I want just what it cost them to run their business last year. That is what I want. Just what it cost you last year to produce your pack.

Mr. MOSER. Say for a calendar year. For the calendar year 1911.

The CHAIRMAN. Yes; whichever way you keep it. I want the total cost of the pack for 1911.

Mr. MOSER. 863,739 cases.

The CHAIRMAN. Well, if that is the actual number of cases. A good many of these propositions Mr. Dorr has made here are based upon estimates, which may be more or less correct.

Mr. MOSER. I can say this in a general way: That after we have outfitted we have usually expended upward of \$3,000,000 for equipment, material, and advances before we take a fish.

The CHAIRMAN. I do not care about that item. I want the total expenditure. You must make some estimate to determine your profit and loss for the year; what you spend and what you receive. I want to know what you spend in one year, if you can furnish it without too much trouble. If we can get the expenditure for, say, 10 years, with the product for 10 years, then we could get the price of a case each year.

Mr. MOSER. Yes.

The CHAIRMAN. I wish you would get that, if you can, Captain.

Mr. MOSER. Yes. We have this data in the office, I am quite sure—the cost per case to us each year.

The CHAIRMAN. I know you figure it out in some way. You must have some way to figure that. I want to get at your annual expense.

Mr. DORR. What the Senator wants, I think, is perfectly clear to me. He wants your base figures, so he can figure out the cost himself.

Mr. MOSER. Yes.

Mr. DORR. They have it in the office, unquestionably.

The CHAIRMAN. I would suppose so, of course.

Mr. MOSER. We have the cost per case to us, Senator. Of course that is very easy to get, if we have that cost per case correct. We simply have to multiply that by the number of cases we packed in Alaska.

The CHAIRMAN. I want what you spent in one year to run your Alaska business. Then, if I have the product, I can get at what it cost.

Mr. DORR. I am pretty certain that information is available in the home office.

The CHAIRMAN. I should think so.

Mr. MOSER. It is available, but we have not always published it.

The CHAIRMAN. I would like to get it, because it seems to me that is the only real reliable figures that we can take to get at the cost of a case of salmon.

Mr. WICKERSHAM. Mr. Chairman, there are a series of figures which are probably not as accurate as those you called for, but which will give some very interesting information contained in the hearings two years ago before the House committee. It is a statement furnished to that committee by Messrs. Britton & Gray, through Judge Browne here, as the attorney for the Alaska Packers' Association. It contains, among other things, appendix 2, showing the sixteenth annual statement of the Alaska Packers' Association, with the president's report, and so forth. That contains a comparative statement of the profits of the Alaska Packers' Association for 16 years, and very much other data that will assist us probably.

The CHAIRMAN. Possibly Mr. Dorr has something of that kind.

Mr. DORR. I am afraid I have not got just what you want, Senator, because I did not anticipate that feature.

The CHAIRMAN. Well, I will tell you, Judge. Of course you have those matters, and you are more familiar with them than anyone else, so you hold that, and when we get through we will put into the record anything you would like to have incorporated therein.

Mr. WICKERSHAM. I only want to call the attention of the committee to that now.

The CHAIRMAN. It seems to me that the most accurate way of ascertaining the cost of a case of salmon at Seattle or at San Francisco, or at any other Pacific coast point, would be to take your actual expenditures during one year, and then divide that by the product.

Mr. MOSER. That would be for our company.

The CHAIRMAN. That is what I mean.

Mr. MOSER. It would not give you the results for other companies operating there.

The CHAIRMAN. You are not interested in them particularly anyhow. You are interested in your own proposition, and that will give us the cost of your production. Of course we can understand that another company—a small company operating only one cannery—would probably be different from yours as to cost of production.

Mr. MOSER. Yes.

The CHAIRMAN. There is no question about that. We understand that. The only accurate way, it seems to me, of getting at the cost of your salmon pack would be as I have stated, and I wish you would furnish that information to the committee.

Mr. MOSER. I will. I will wire out to the office and get that.

Mr. WICKERSHAM. I think a statement of that kind concerning the Alaska Packers' Association would give you a very fair estimate of the others. For instance, last year in the Bristol Bay region there was packed 747,139 cases, costing about \$373,854, or more than half. That was true in central Alaska, but they only put up about one-half of the pack, I think, in southeastern Alaska.

The CHAIRMAN. I can understand why the cost of transportation, for instance, for the Alaska Packers' Association in taking care of their men and packing for one year might be different from what it

would be where a man would have to go out and hire his transportation. What I want to get at now is their actual cost per case of salmon. It seems to me the simplest way to get at that, and the accurate way, is to find out what it costs to produce their entire pack, which ought to compare with other packs.

Mr. MOSER. We have a very close system of bookkeeping. It is very carefully kept.

The CHAIRMAN. Now, Mr. Dorr, you may proceed.

Mr. DORR. Under any theory of the cost of a case of salmon in Alaska it can not be reasonably estimated that the raw product is worth more than a dollar a case. That is an excessive valuation. I am willing to assume that a dollar a case represents the value of the raw fish.

Mr. WICKERSHAM. Right there, let me ask you, what does it cost you to catch those fish? What do you pay the fishermen?

Mr. DORR. In Bering Sea they pay $3\frac{1}{2}$ cents a fish for the red salmon.

Mr. WICKERSHAM. How many fish does it take to make a case?

Mr. DORR. From 12 to 13, at $3\frac{1}{2}$ cents a fish, of the red salmon.

Mr. WICKERSHAM. That is about 50 cents a case?

Mr. DORR. Yes; about 50 cents a case or a little less. Then, of course, these fishermen are found, boarded; nets are provided for them and boats furnished, and everything else is supplied by the companies.

Mr. WICKERSHAM. That adds considerably more, then?

Mr. DORR. Where we go out and buy red fish we sometimes pay 10 cents apiece for them.

Mr. WICKERSHAM. That would be \$1.30 a case?

Mr. DORR. In the open market when we buy the fish. The pink salmon cost only a small part of that sum. We buy pink salmon for 2 cents apiece, or thereabouts, in the open market.

The CHAIRMAN. If we can get the information I called for I think it will cover all these matters.

Mr. DORR. I am sure I know what you want, but the raw product element is important from my standpoint, Senator, in estimating these taxes, because that is the only thing that comes out of Alaska.

The CHAIRMAN. You may present what you desire on that particular phase of the question.

Mr. DORR. And it is upon that theory that I want to make a few observations. The tax in Alaska was not enacted as a tax on property. It has never been regarded as a tax on property, and it is in no sense a tax on specific property.

Mr. WICKERSHAM. Why do you say that?

Mr. DORR. Because the act itself says that. It provides a license, fee system for different occupations. It is an occupation tax.

The CHAIRMAN. But was it not in lieu of all these other taxes—to take the place of them?

Mr. DORR. It was undoubtedly passed in lieu of other tax laws.

Mr. WICKERSHAM. And that arose from the conditions in Alaska, which prevented the assessment of this property outside of incorporated towns.

Mr. DORR. Yes; it certainly did. It was the means adopted for securing a certain amount of revenue?

Mr. WICKERSHAM. Yes.

Mr. DORR. But I do not think it ever was intended to be a revenue system that would make Alaska self-supporting. If it was, it is grossly inadequate and it ought not to be regarded on that basis.

Mr. WICKERSHAM. Well, you have read the Binns case, decided in the Supreme Court and you know what the Supreme Court said in that case about this particular matter?

Mr. DORR. I have read the Binns case many times.

The CHAIRMAN. What does it say?

Mr. DORR. It is reported in 194 United States Supreme Court Reports, *Binns v. United States*, representing an effort of somebody—I do not remember whom—Binns and some others, to have this license tax law declared invalid on constitutional grounds.

The Supreme Court upheld the law, and said it was perhaps not as perfect as it might be, but as the total amount of taxes derived from the revenue under this license system did not equal the amount necessary to maintain the expense of the Government alone——

Mr. WICKERSHAM. In Alaska?

Mr. DORR. The Alaskan Government—they would uphold it, and they did uphold it.

Mr. WICKERSHAM. As a means of raising revenue for the maintenance of that Government?

Mr. DORR. Yes, sir; that is what they held. Now I say that this is primarily an occupation tax. For instance, a boarding house pays a license fee of \$15 a year.

Mr. WICKERSHAM. Under this same act?

Mr. DORR. Under this same act. An abstract office pays a license of \$50 a year; a bank pays a license of \$250 a year, regardless of the business it does.

Mr. WICKERSHAM. And a railroad pays \$100 a mile, regardless of the traffic over that railroad?

Mr. DORR. Yes.

Mr. WEBB. Steamboats pay \$1 a ton.

Mr. WICKERSHAM. That is, they ought to pay it.

Mr. DORR. The law requires them to pay it. I do not know why they do not pay it.

Mr. WICKERSHAM. They do not because they have been advised not to pay it.

Mr. DORR. They may be litigating it. I would not like to take the chances of ignoring this tax, because it is an indictable offense under the Federal law, and the penalty is double taxes.

Mr. WICKERSHAM. There is a suit pending now for the recovery of the tax.

Mr. DORR. Stamp mills pay a tax of \$3 per stamp per year, and so on.

Mr. WICKERSHAM. But all mercantile establishments pay upon the amount of business they do.

Mr. DORR. They do. It is a graduated scale. So do the salmon canners.

Mr. WICKERSHAM. No; the salmon canners pay so much a case, not regarding the business they do.

Mr. DORR. That is on the business they do.

The CHAIRMAN. That is, if they pack a few cases they pay on them; if they pack 10,000 they pay on that?

Mr. WICKERSHAM. But the stores pay a different ratio.

Mr. DORR. The stores pay according to the amount of their annual sales.

Mr. WICKERSHAM. Your canning ratio is the same. The rate of taxation is not the same in the stores, while it is in the canneries.

Mr. DORR. You mean it is a graduated scale?

Mr. WICKERSHAM. Yes; in the mercantile establishments.

The CHAIRMAN. Is the percentage different?

Mr. WICKERSHAM. Yes.

Mr. DORR. Mercantile establishments doing a business of \$100,000 per annum pay \$500; on a business of \$75,000 they pay \$300.

The CHAIRMAN. I see; it makes a difference.

Mr. DORR. It is at a slightly different rate.

Mr. WICKERSHAM. The result is not very different except that the merchants and other people pay two or three times as much in proportion as the cannery men do.

Mr. DORR. Well, I do not know about that, Judge.

Mr. WICKERSHAM. Well, I will call the attention of the committee to that, and your attention to it, too, later.

Mr. DORR. The merchant that does \$100,000 worth of business a year pays \$500.

Mr. WICKERSHAM. In addition to that he pays 2 per cent taxes on his property in the incorporated towns in Alaska.

Mr. DORR. So does a cannery.

Mr. WICKERSHAM. Not in Alaska.

Mr. DORR. They do if they are located inside an incorporated town.

Mr. WICKERSHAM. But there is no cannery located inside an incorporated town.

Mr. DORR. Is not there one in Ketchikan?

Mr. WICKERSHAM. No, sir; it is outside of the town.

Mr. DORR. There was one built at Wrangell this year.

Mr. WICKERSHAM. But Wrangell is not an incorporated town.

Mr. DORR. Is Haines incorporated?

Mr. WICKERSHAM. Yes, Haines is incorporated.

Mr. DORR. There is a cannery there.

Mr. WICKERSHAM. But that is not in Haines.

Mr. DORR. It is right at the wharf.

The CHAIRMAN. In towns which are not incorporated business houses do not have to pay that tax?

Mr. DORR. No.

The CHAIRMAN. If a man does not want to pay the incorporated-town tax he can go outside of the corporate limits of the town?

Mr. BROWNE. The basis of the corporation tax in the municipality is the protection which the incorporated town furnishes.

Mr. WICKERSHAM. There is no fire protection outside; but our courts are there, and they are used frequently. There is protection up there.

Mr. DORR. It seems to me that the only product these canneries take from Alaska is the raw fish. I do not think it is fair; I think it is eminently unfair and manifestly unjust to tax them on the basis of their finished product delivered in Seattle. When we include the material and the labor and the provisions that they of necessity take up to make this product merchantable, that is not a fair basis on which to figure the value of the product for the basis of an occupation tax. If we are going to talk about the value of the product, it should be

the value of the product in Alaska, that which we get from Alaska, and that in no sense can be said to be worth more than a dollar a case.

It is a high estimate, and at 4 cents a case that tax is 4 per cent on the raw product. If this bill should become a law increasing it to 14 cents, as I estimate it, that would be 14 per cent on the Alaska product.

The CHAIRMAN. So the gist of your proposition then, Mr. Dorr, in regard to the taxes on these salmon, is that these taxes should be based on the value of the fish in the raw state?

Mr. DORR. Yes, sir.

Mr. WICKERSHAM. In the sea?

Mr. BROWNE. No; caught.

Mr. DORR. No, caught and delivered.

The CHAIRMAN. I understand you are willing to estimate it on their value as caught and probably laid down at the cannery.

Mr. DORR. Yes, sir; I will assume we buy them in the open market.

The CHAIRMAN. So that you estimate that value as \$1 per case?

Mr. DORR. Yes; as an outside valuation.

Mr. MOSER. That is a very high estimate, \$1 per case. We have made a recast of the value of the raw material, and we have found according to our figures that the value of the raw material which has been taken out of Alaska in any one season by all the canneries is not in excess of \$1,250,000. Mr. Dorr's figures are considerably in excess of that.

Mr. DORR. Well, my figures are more than double that, as a matter of fact; but I have assumed, for the purpose of that basis, that these fish might be bought in the open market there of residents, if such can be found, who had caught them.

Mr. WICKERSHAM. As I understand you, you paid the fishermen 10 cents a piece for them?

Mr. DORR. Yes, for the red fish.

Mr. WICKERSHAM. With 13 to the case that would be \$1.30.

Mr. DORR. Yes, for the red fish; but, Judge, the bulk of this Alaska pack is pink or humpback salmon which cost very much less.

Mr. WICKERSHAM. Then, on that basis, you would not pay for anything except the labor in catching them. On your basis of \$1 a case you would not pay even as much as the labor cost?

Mr. DORR. There is a big profit to the man who catches them. The man who catches them owns his own gear and his own boat and takes his own risks. He naturally makes his profit, if he operates independently of the canner who hires the fisherman and pays him either by piecework or stated wages.

I have tried to be fair in that estimate and make it large enough to cover all kinds of contingencies involved in the catch and delivery of the raw product to the canner. I do not think that it is right that the canner should pay a tax on the cans that he buys in Pittsburgh under a \$1.20 tariff and takes up there to fill with these fish and then returns them.

I do not think that it is a fair basis of calculation at all, and that suggestion runs right through the other elements that enter into the cost of the finished product and include labor, which amounts to, according to my figures, 60 cents on every case for white labor and 50 cents for Chinese, or \$1.10 per case in actual labor.

When the present law was under consideration by the House of Representatives in 1906 it was like the present bill, as I understand at least, an administration measure.

Mr. WICKERSHAM. Who prepared it then?

Mr. DORR. The Bureau of Fisheries.

Mr. WICKERSHAM. Were you consulted in its preparation?

Mr. DORR. No, sir.

Mr. WICKERSHAM. Your people consulted them?

Mr. DORR. No, sir; not originally.

Mr. WICKERSHAM. Well, you did in time.

Mr. DORR. We were consulted when we got into the hearings, of course.

Mr. WICKERSHAM. But not before?

Mr. DORR. No, not before; neither were we in this instance consulted before.

That bill, if I understand it correctly, like this one, was prepared by the Bureau of Fisheries and introduced in the House of Representatives by the late Congressman Cushman in 1906.

We then had a hearing as we are having in this instance. We had at that time the benefit of the so-called Alaska Salmon Commission, a body of eminent men who had been appointed by the President in 1903 to make explorations in Alaska and report on the general conditions there, Dr. David Starr Jordan and Dr. Barton W. Evermann being the two principal commissioners.

Mr. BOWER. Was not Capt. Moser with that commission, also?

Mr. DORR. No; Capt. Moser was not, were you?

Mr. MOSER. No; but I knew of the commission.

Mr. DORR. David Starr Jordan and Dr. Barton W. Evermann submitted a report to the President. This was a Presidential commission.

Mr. WICKERSHAM. On the Alaska fisheries.

Mr. DORR. It was called the Alaska Salmon Commission.

Mr. WICKERSHAM. Is that an Executive document, Mr. Dorr? If so, I wish you would give me the number so that I can get a copy of it.

Mr. DORR. It is House Document 477, Fifty-eighth Congress, second session. It was submitted to Congress with a message from the President. These men had been up there in 1903. The membership of the commission was as follows: Dr. David Starr Jordan, executive head; Dr. Barton Warren Evermann, acting executive head in Dr. Jordan's absence during the latter part of the investigations; Lieut. Franklin Swift, United States Navy (retired), commanding the fisheries steamer *Albatross*; Mr. Alvin B. Alexander, assistant in charge, statistics and methods of the fisheries in the Bureau of Fisheries; Mr. J. Nelson Wisner, field superintendent of Federal fish-cultural stations; and Mr. Cloudsley Rutter, naturalist, fisheries steamer *Albatross*.

As special assistants to the commission the following were appointed: Messrs. Fred M. Chamberlain and E. L. Goldsborough, of the Bureau of Fisheries; Dr. Harold Heath, Dr. Charles H. Gilbert, Mr. Milo H. Spaulding, and Mr. Harold Bowen Jordan, of Stanford University; Mr. Harry C. Fassett, captain's clerk, steamer *Albatross*; and Mr. Albertus H. Baldwin, artist.

That commission submitted their preliminary report and it was transmitted to Congress by the President in the document to which I have referred, House Document 477, Fifty-eighth Congress, second session.

Mr. BROWNE: I doubt very much if there are very many of these reports left, and I would like to suggest to the Senator that it would not be unwise to have this printed somewhere in these hearings.

The CHAIRMAN. I hardly think it would be advisable to put it in the record, but you may read whatever excerpts you would like to have appear.

Mr. DORR. I am alluding to that matter now to show that when the present law was enacted the committee in Congress had the benefit of the report of these gentlemen and they had the benefit of the presence of a number of them before the committee. They were before the committee of the House.

Mr. WICKERSHAM. And also a very respectable number of gentlemen representing the Alaska Packers' Association appeared.

Mr. DORR. They certainly did. They had the benefit of the packers, not only the Alaska packers, but a great many of the other packers; and after we got into this hearing before the committee it was on the suggestion of the committee that we repaired to the office of the Secretary of Commerce and Labor and there labored for a week to harmonize all the differences and questions that had arisen, and the result was a unanimous report of the committee and the passage of the bill as reported.

In that report upon the question of taxes the committee say:

Under the act of March 3, 1899, a tax of 4 cents per case is levied and collected on canned salmon and a tax of 10 cents per barrel on salted salmon. The total revenue (not including that of the current year) has been \$429,781.52, while the expense to the Government during the same period for enforcement of the law for the protection of these fisheries has not exceeded \$35,000. Whatever the Government may do in the line of artificial propagation, it is desirable that persons engaged in the business of salmon packing in Alaska be encouraged to build and maintain hatcheries. To accomplish this it is probable that a rebate from this tax, based upon a proper ratio of the annual pack to the fry liberated by persons maintaining hatcheries, would afford the most satisfactory method of dealing with the question. Such private hatcheries should be under the supervision of this department, which would have power to make all necessary rules for their conduct.

That is just as true to-day as it was then.

Mr. WICKERSHAM. Well, you understand the Government owns those fish or the people own them?

Mr. DORR. I understand the Government does not own them, but that the people do own them.

Mr. WICKERSHAM. The people have the right to sell them for whatever they please, and it is only a question of what the people want to charge you for them?

Mr. DORR. Yes; they have a right to sell them for what they please or to prohibit their use altogether.

Mr. WICKERSHAM. I want to call your attention to that fact, because it is not a one-sided proposition.

Mr. DORR. There is no argument on that at all. If the Government, as the organized representative of the people, chooses, it may charge whatever it desires. Congress, in its wisdom, could put a tax of a dollar a case on that product. They have the power to do it. I am not arguing against the power.

Mr. WICKERSHAM. You understand that in what we call the Alaska Territorial bill there is still a reservation that the Government will continue to control this industry in Alaska.

Mr. DORR. Yes; so far as the fishing industry is concerned, but not so far as the levying of taxes on property on shore is concerned. Whenever the Alaska legislature begins, the first thing they will do is inaugurate a general taxation system, and we will come in under it.

Mr. WICKERSHAM. Do you approve of that?

Mr. DORR. I have no objection to it; I think it is right. I think it is right that every species of property that is in existence in Alaska should pay a tax to the Alaska Territorial government; but I do not think it is right for the mere occupants in any avocation up there to pay an exorbitant occupation tax to go into the Federal Treasury.

Mr. WICKERSHAM. Well, as to where it goes, I quite agree with you.

Mr. DORR. Now, if this tax, whatever it may be, could be used in whole or in part for the benefit of the people who contribute to it, there would not be so much opposition to it.

Mr. WICKERSHAM. I agree with you about that.

Mr. DORR. But, Judge, under the present law, we get no benefit from it at all. It is all diverted. Seventy per cent of it goes into the road fund, 25 per cent of it goes into the school fund, and the other 5 per cent goes for the care of the insane.

Mr. WICKERSHAM. But, as a matter of fact, you do not pay anything hardly. Your company only paid \$6,000 last year.

Mr. DORR. The companies I represent paid 4 cents a case on every case that they packed.

Mr. MOSER. It should go to the companies who contribute it, to maintain the industry.

Mr. DORR. Have you the hearings you referred to a moment ago? I think there is a statement in there of the taxes.

Mr. BROWNE. Is that the hearing on your bill?

Mr. WICKERSHAM. Yes; two years ago.

Mr. DORR. I refer——

The CHAIRMAN. Are you starting out on a new subject, Mr. Dorr?

Mr. DORR. No; I am answering Judge Wickersham's question. I will answer it in a moment. By referring to the printed hearings on House bill 22579, Sixty-first Congress, I find a statement of licenses and taxes collected on fisheries in the years 1908 and 1909, as follows——

The CHAIRMAN. Would you like that statement to go into this record, Mr. Dorr?

Mr. DORR. Yes, sir.

The CHAIRMAN. Well, if you want this to go in, we will put it in. We will now close the hearing for this morning.

Thereupon, at 11.45 a. m., the subcommittee adjourned, subject to the call of the Chair.

The table is as follows:

DEPARTMENT OF JUSTICE,
Washington, April 26, 1910.

Hon. E. L. HAMILTON,
Chairman Committee on the Territories,
House of Representatives.

SIR: Complying with your request of April 20, 1910, I have the honor to herewith inclose a statement showing the amounts received as license taxes upon the output

of canneries in Alaska for the years 1908 and 1909, including the amount of credit which each cannery was given for the "fry" released from its hatchery, in accordance with the provisions of the act of 1906.

It may be stated that the figures given in the statement represent only the collections for the respective years, and are without regard to the period or year of the output, i. e., the time the taxes or credits accrued.

Respectfully,

GEO. W. WICKERSHAM,
Attorney General.

Statement showing amount of license taxes on output of canneries and salteries in Alaska, also the amount of credit allowed thereon on account of "fry" released by such as maintain hatcheries, for the years 1908 and 1909.

	License taxes collected.		Credit allowed on account of "fry" released.	
	1908	1909	1908	1909
Northwestern Fisheries Co., cannery	\$30,883.68	\$10,624.56	\$6,917.48	
Alaska Packers' Association, cannery	39,751.30	38,512.38	38,272.32	\$29,668.80
North Pacific Trading & Packing Co., cannery	3,349.64	4,423.32	1,964.64	1,280.00
Knutson Bros., cannery	5.98			
Pacific American Fisheries Co., cannery		5,572.00		
Yakutat & Southern Ry. Co., cannery	3,133.68			
F. C. Barnes, cannery	1,610.91			
Pacific Fisheries Co., cannery	2,373.12			
William Duncan, cannery	534.16	569.16		
Pacific Coast & Norway Packing Co., cannery	1,901.60	2,266.30		
Porter Fish Co., cannery	1,219.76	1,383.00		
Shakan Salmon Co., cannery	1,689.43	1,777.68		
Geo. T. Meyers Co., cannery	3,653.28	3,846.60		
Thlinket Packing Co., cannery	3,418.28	2,926.76		
Columbia Canning Co., cannery	584.36	1,098.32		
Pillar Packing Co., cannery	1,234.64	1,336.32		
Fidalgo Island Packing Co., cannery	1,846.00			
C. A. Burckhardt & Co., cannery	1,215.64			
Yes Bay Canning Co., cannery		1,268.88		
Alaska-Portland Packing Co., cannery	1,189.56	2,282.84		
Northwestern Packing Co., cannery	480.00			
Columbia River Packing Co., cannery	1,204.44			
Naknek Packing Co., cannery	1,083.00			
W. C. Waters, saltery	37.70	90.00		
International Fisheries Co., saltery	33.40			
Ole Knutson, saltery	8.90			
H. Bergman, saltery	253.20	79.20		
C. H. Gallagher, saltery		6.40		
Alex. S. Miller, saltery		12.00		
Knute Hange, saltery		8.00		
Gunerius Enge, saltery		3.00		
James Thompson, saltery	92.40			
Rasmus Enge, saltery	69.50	39.00		
Alaska Salt Fish Co., saltery	25.20			
Fred Brockman, saltery	39.60			
Peter Somers, saltery	21.40			
John Mantel, saltery	26.80	27.00		
J. B. Alter, saltery	53.80			
Louis Perterson, saltery	5.40	2.50		
Marcus Nelson, saltery	8.00	12.40		
H. E. Heckman, saltery	10.00	10.00		
A. E. King, saltery	227.90	189.40		
Globe Fishing & Packing Co., saltery	41.60			
W. H. Lewis, saltery	15.30			
C. M. Coulter, saltery	10.00			
Huno Hager, saltery	28.00			
S. C. Robertson, saltery	3.00			
Levi Dobbins, saltery	3.00			
K. J. Johanson, saltery	34.80	64.00		
Foss & Skogland, saltery	1.70			
Harry Appledorn, saltery	10.60			
Engle Wiese, saltery	107.20			
J. B. Lindenberger, saltery		182.40		
W. A. Thompson, saltery	9.20			
Dick Thompson, saltery	3.20			
Jack Hadland, saltery	11.20			
Peter Korgenson, saltery	7.40			
E. L. Skog, saltery	4.40			
Chas. L. Olson, saltery	1.70			
John Jenson & Co., saltery	9.70			
Malcolm Campbell, saltery		48.00		
Craig Miller, saltery		1.50		

Statement showing amount of license taxes on output of canneries and salteries in Alaska, also the amount of credit allowed thereon on account of "fry" released by such as maintain hatcheries, for the years 1908 and 1909—Continued.

	License taxes collected.		Credit allowed on account of "fry" released.	
	1908	1909	1908	1909
J. T. Field, saltery.....		\$3. 00		
John B. Barnovich, saltery.....		4. 00		
Henry Imhoff, saltery.....		4. 50		
Michael E. Lane, saltery.....		5. 00		
A. H. Sousthagen, saltery.....		40. 00		
Alaska American Fish Co., saltery.....		50. 00		
L. A. Pederson, saltery.....	\$110. 00			
Blodget & Blinn, saltery.....	33. 60			
Alaska Commercial Co., saltery.....	79. 40			
San Juan Fish and Packing Co., saltery.....		352. 00		
John L. Carlson:				
Cannery.....	1,098. 28			
Saltery.....	103. 20	1,349. 14		
Alaska Oil & Guano Co.:				
Fish oil works.....	273. 00	461. 00		
Fertilizer.....	187. 00	231. 00		
Saltery.....	7. 50			
Tyee Co.:				
Saltery.....		2. 60		
Fertilizer plant.....		144. 00		
Total.....	105,466. 64	81,309. 16	\$47,154. 44	\$30,948. 80

MONDAY, MAY 27, 1912.

COMMITTEE ON FISHERIES,
UNITED STATES SENATE,
Washington, D. C.

The subcommittee met at 8 o'clock p. m.

Present: Senator Jones (chairman). Also appeared Hon. James Wickersham, Delegate in Congress from Alaska. Also appeared Mr. Ward T. Bower, assistant agent, Alaska salmon fisheries. Also Messrs. John Sidney Webb, Aldis D. Browne, Charles W. Dorr, and J. F. Moser.

STATEMENT OF MR. CHARLES W. DORR—(Resumed).

Mr. DORR. At the time of adjournment of the last hearing I was arguing that the raw product that enters into the consumption of the canned salmon in Alaska was not worth to exceed \$1 a case. That being true, if my statement is correct, the present rate of taxation is 4 per cent on the value of the raw product.

Mr. WICKERSHAM. That does not include anything for the purchase of the product.

Mr. DORR. It is on the value of the raw product.

Mr. WICKERSHAM. That does not include anything for the purchase of the product, but only your estimate of the tax.

Mr. DORR. I do not think I understand the question.

Mr. WICKERSHAM. Well, if the fish belongs to the people of Alaska you do not pay anything for the purchase price of the fish, but you only pay what you say is the tax upon the fish.

Mr. DORR. In estimating this somewhat arbitrary basis of the value of the raw product, I have attempted to estimate it at what it

would cost if delivered to the canneries there and I do not know whether that would include anything for the value of the fish; I understand the fish belong to the people, and in their wild state they are of no value. When they are captured they are of whatever value the market imports. I do not know that fish anywhere are estimated as being of value in the water.

In the States of Oregon and Washington, where these same fish run, we do not estimate them at anything in the water.

The CHAIRMAN. In other words the value is simply put on them in the hands of the person who catches them?

Mr. DORR. The value is put on them in the hands of the person who catches them and has them for sale in the market; fish caught and sold in the fresh-fish market are at so much a pound or so much apiece. Fish that are sold in Alaska are worth so much a pound or so much apiece. Now that is absolutely all that these canners take from Alaska.

The CHAIRMAN. That is the raw fish?

Mr. DORR. The raw fish, plus whatever labor they employ there and whatever material they buy there; and I am frank to admit that these amounts are insignificant as compared with the whole, because neither the labor nor the material are available there.

I have not understood, however, since this general license law was passed, at any time, at any stage of the proceedings, either in the bill itself or in any construction that has been placed upon it, that it was intended to be a specific tax on property. It is not so worded and it can not be so construed.

I have a copy of the general license law of Alaska, which is found in 31 Statutes at Large, pages 330-331.

Mr. WICKERSHAM. Before you begin on that, I would like to ask you a question or two.

Mr. DORR. Very well.

Mr. WICKERSHAM. You say there is no element of value to the Territory or to the people of the Territory in these fish. You realize, of course, that it is expected in time they will build up a fishing community there of people who will be permanent residents of the Territory and pay taxes there?

Mr. DORR. There is undoubtedly a value in the fisheries.

Mr. WICKERSHAM. Well, is there not very much the same value in the fisheries that there would be in a forest of trees?

Mr. DORR. No; I do not think so.

Mr. WICKERSHAM. Why not?

Mr. DORR. Because when a forest of trees is once cut down it is ended, so far as our present generation is concerned; but these fisheries are replenishing themselves yearly, and if the fish were not caught and utilized in commerce they would go to absolute waste.

Mr. WICKERSHAM. That would go to a question of increasing their number as far as the stream would permit.

Mr. DORR. And the surplus would be absolutely wasted. They would simply die there and rot on the shores of the stream.

Mr. WICKERSHAM. But there is that element of value in the fisheries that there is in a forest, to some extent?

Mr. DORR. Well, I say the distinction is that a forest, when once the ground is denuded, has become extinct for the present generation, while the fish constantly replenish their species.

Mr. WICKERSHAM. But under a proper rule of conservation that would not be true.

Mr. DORR. The ground must lie dormant until the new forest grows, while these fish are constantly reproducing themselves.

Mr. WICKERSHAM. Just as trees do.

Mr. DORR. No; trees do not do that.

Mr. WICKERSHAM. But it takes a tree a hundred years instead of four years, as it does the salmon.

Mr. DORR. It is a vast difference.

Mr. WICKERSHAM. It is a vast difference, but it is the same principle, and the question of conservation applies to both.

Mr. DORR. You can only conserve the fish to the extent of keeping up the normal supply, because the moment you go beyond that there is nothing left but waste.

Mr. WICKERSHAM. Yes; I realize that. We understand that, of course. The point I was trying to make was that there was a real value in the fisheries to the Territory just as the forests of the Territory.

Mr. DORR. There certainly is when utilized.

Mr. WICKERSHAM. But if we permitted some outside people, entirely out of the Territory, to take away our forests without giving any return for them, all we would have after awhile would be the denuded land.

Mr. DORR. Yes; but if you should take these denuded lands and reforest them, you would have a similar situation.

Mr. WICKERSHAM. We would have a more valuable forest.

Mr. DORR. Yes, you certainly would.

Mr. WICKERSHAM. And for that reason I consider the fisheries valuable, too.

Mr. DORR. They are valuable so far as used; but until these people from outside of Alaska went in there those fishes were absolutely wasted, except as they were used by the natives to a very limited extent. Now, with all your 60,000 population in Alaska show me a man who has ever organized a cannery there or utilized these fisheries—one single man in Alaska.

Mr. WICKERSHAM. Oh, yes, I can show you one.

Mr. DORR. I do not think you can show me a cannery man.

Mr. WICKERSHAM. What is the man's name who organized the cannery at Cook Inlet two years ago?

Mr. DORR. He has a small interest in the cannery——

Mr. WICKERSHAM. He has a cannery.

Mr. DORR. He promoted a cannery without a dollar of his own money. He came down to Seattle and secured money there and the company built it last year.

Mr. WICKERSHAM. What is his name?

Mr. DORR. Mr. Whorf. He has been a resident of that district for 20 years, and has never built a cannery himself. That is absolutely true of all of the Alaska people as far as I know. Now, it is true that he did come out last year and in Seattle among people that you know and I know raised a sufficient sum of money to build a little cannery in Alaska. They packed about 12,000 cases there last year.

Mr. WICKERSHAM. I beg your pardon; you may go on with your statement.

Mr. DORR. I wish to introduce the present license-tax act to illustrate the contention that I am endeavoring to make—that it was not framed or is not by its terms subject to the construction that it is intended to be a uniform tax on values.

The CHAIRMAN. We will have that put into the record, Mr. Dorr.

Mr. DORR. It has been amended, so far as the fisheries are concerned, by the act of 1906, but I think the rates remained the same and, as far as I recollect, that is the only amendment that has been made to that act.

Mr. WICKERSHAM. The act of 1906 had the rebate law in it?

Mr. DORR. Yes; but the taxes were just the same as the old law.

Mr. WICKERSHAM. I wish you would put that act of 1906 in with it so as to make it complete.

Mr. DORR. I will do that.

The acts mentioned in the foregoing statements are as follows:

SEC. 460 (Tax on business and trades). That any person or persons, corporation, or company prosecuting or attempting to prosecute any of the following lines of business within the District of Alaska shall first apply for and obtain license so to do from a district court or a subdivision thereof in said district, and pay for said license for the respective lines of business and trade as follows, to wit:

Abstract offices, fifty dollars per annum.

Banks, two hundred and fifty dollars per annum.

Boarding houses, having accommodations for ten or more guests, fifteen dollars per annum.

Brokers (money, bill, note, and stock), one hundred dollars per annum.

Billiard rooms, fifteen dollars per table per annum.

Bowling alleys, fifteen dollars per annum.

Breweries, five hundred dollars per annum.

Bottling works, two hundred dollars per annum.

Cigar manufacturers, twenty-five dollars per annum.

Cigar stores or stands, fifteen dollars per annum.

Drug stores, fifty dollars per annum.

Public docks, wharves, and warehouses, ten cents per ton on freight handled or stored.

Electric-light plants, furnishing light or power for sale, three hundred dollars per annum.

Fisheries: Salmon canneries, four cents per case; salmon salteries, ten cents per barrel; fish-oil works, ten cents per barrel; fertilizer works, twenty cents per ton.

Freight and passenger transportation lines, propelled by mechanical power registered in the district of Alaska, or not paying license or tax elsewhere, and river and lake steamers, as well as transportation lines doing business wholly within the district of Alaska, one dollar per ton per annum on net tonnage, customhouse measurement, of each vessel.

Gas plants for heat or light, for sale, three hundred dollars per annum.

Hotels, fifty dollars per annum.

Halls, public, ten dollars per annum.

Insurance agents and brokers, twenty-five dollars per annum.

Jewelers, twenty-five dollars per annum.

Mines: Quartz mills, three dollars per stamp per year.

Mercantile establishments: Doing a business of one hundred thousand dollars per annum, five hundred dollars per annum; doing a business of seventy-five thousand dollars per annum, three hundred and seventy-five dollars per annum; doing a business of fifty thousand dollars per annum, two hundred and fifty dollars per annum; doing a business of twenty-five thousand dollars per annum, one hundred and twenty-five dollars per annum; doing a business of ten thousand dollars per annum, fifty dollars per annum; doing a business of under ten thousand dollars per annum, twenty-five dollars per annum; doing a business of under four thousand dollars per annum, ten dollars per annum.

Meat markets, fifteen dollars per annum.

Manufactories not enumerated herein, same classification and license charges as mercantile establishments.

Physicians, itinerant, fifty dollars per annum.

Planing mills, fifty dollars per annum when not a part of a sawmill.
 Pawnbrokers, three hundred dollars per annum.
 Peddlers, twenty-five dollars per annum.
 Patent-medicine venders (not regular druggists), fifty dollars per annum.
 Railroads, one hundred dollars per mile per annum on each mile operated.
 Restaurants, fifteen dollars per annum.
 Real estate dealers and brokers, fifty dollars per annum.
 Ships and shipping; ocean and coastwise vessels doing local business for hire plying in Alaskan waters, registered in Alaska or not paying license or tax elsewhere, one dollar per ton per annum on net tonnage, customhouse measurement, of each vessel.
 Sawmills, ten cents per thousand feet on the lumber sawed.
 Steam ferries, one hundred dollars per annum.
 Toll road on trail, two hundred dollars per annum.
 Tobacconists, fifteen dollars per annum.
 Tramways, ten dollars for each mile or fraction thereof per annum.
 Transfer companies, fifty dollars per annum.
 Taxidermists, ten dollars per annum.
 Theaters, one hundred dollars per annum.
 Waterworks, furnishing water for sale, fifty dollars per annum.
 (31 Stats. L., 330-331.)

AN ACT For the protection and regulation of the fisheries of Alaska.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That every person, company, or corporation carrying on the business of canning, curing, or preserving fish or manufacturing fish products within the territory known as Alaska, ceded to the United States by Russia by the treaty of March thirtieth, eighteen hundred and sixty-seven, or in any of the waters of Alaska over which the United States has jurisdiction, shall, in lieu of all other license fees and taxes therefor and thereon, pay license taxes on their said business and output as follows: Canned salmon, four cents per case; pickled salmon, ten cents per barrel; salt salmon in bulk, five cents per one hundred pounds; fish oil, ten cents per barrel; fertilizer, twenty cents per ton. The payment and collection of such license taxes shall be under and in accordance with the provisions of the act of March third, eighteen hundred and ninety-nine, entitled "An act to define and punish crimes in the district of Alaska, and to provide a code of criminal procedure for the district," and amendments thereto.

SEC. 2. That the catch and pack of salmon made in Alaska by the owners of private salmon hatcheries operated in Alaska shall be exempt from all license fees and taxation of every nature at the rate of ten cases of canned salmon to every one thousand red or king salmon fry liberated, upon the following conditions:

That the Secretary of Commerce and Labor may from time to time, and on the application of the hatchery owner shall, within a reasonable time thereafter, cause such private hatcheries to be inspected for the purpose of determining the character of their operations, efficiency, and productiveness, and if he approve the same shall cause notice of such approval to be filed in the office of the clerk or deputy clerk of the United States district court of the division of the District of Alaska wherein any such hatchery is located, and shall also notify the owners of such hatchery of the action taken by him. The owner, agent, officer, or superintendent of any hatchery the effectiveness and productiveness of which has been approved as above provided shall, between the thirtieth day of June and the thirty-first day of December of each year, make proof of the number of salmon fry liberated during the twelve months immediately preceding the thirtieth day of June, by a written statement under oath. Such proof shall be filed in the office of the clerk or deputy clerk of the United States district court of the division of the District of Alaska wherein such hatchery is located, and when so filed shall entitle the respective hatchery owners to the exemption as herein provided; and a false oath as to the number of salmon fry liberated shall be deemed perjury and subject the offender to all the pains and penalties thereof. Duplicates of such statements shall also be filed with the Secretary of Commerce and Labor. It shall be the duty of such clerk or deputy clerk in whose office the approval and proof heretofore provided for are filed to forthwith issue to the hatchery owner, causing such proofs to be filed, certificates which shall not be transferable and of such denominations as said owner may request (no certificate to cover fewer than one thousand fry), covering in the aggregate the number of fry so proved to have been liberated; and such certificates may be used at any time by the person, company, corporation, or association to whom issued for the payment pro tanto of any license fees or taxes upon

or against or on account of any catch or pack of salmon made by them in Alaska; and it shall be the duty of all public officials charged with the duty of collecting or receiving such license fees or taxes to accept such certificates in lieu of money in payment of all license fees or taxes upon or against the pack of canned salmon at the ratio of one thousand fry for each ten cases of salmon. No hatchery owner shall obtain the rebates from the output of any hatchery to which he might otherwise be entitled under this act unless the efficiency of said hatchery has first been approved by the Secretary of Commerce and Labor in the manner herein provided for.

SEC. 3. That it shall be unlawful to erect or maintain any dam, barricade, fence, trap, fish wheel, or other fixed or stationary obstruction, except for purposes of fish culture, in any of the waters of Alaska at any point where the distance from shore to shore is less than five hundred feet, or within five hundred yards of the mouth of any red-salmon stream where the same is less than five hundred feet in width, with the purpose or result of capturing salmon or preventing or impeding their ascent to their spawning grounds, and the Secretary of Commerce and Labor is hereby authorized and directed to have any and all such unlawful obstructions removed or destroyed.

SEC. 4. That it shall be unlawful to lay or set any drift net, seine, set net, pound net, trap, or any other fishing appliance for any purpose except for purposes of fish culture, across or above the tide waters of any creek, stream, river, estuary, or lagoon, for a distance greater than one-third the width of such creek, stream, river, estuary, or lagoon, or within one hundred yards outside of the mouth of any red-salmon stream where the same is less than five hundred feet in width. It shall be unlawful to lay or set any seine or net of any kind within one hundred yards of any other seine, net, or other fishing appliance which is being or which has been laid or set in any of the waters of Alaska, or to drive or construct any trap or any other fixed fishing appliance within six hundred yards laterally or within one hundred yards endwise of any other trap or fixed fishing appliance.

SEC. 5. That it shall be unlawful to fish for, take, or kill any salmon of any species in any manner or by any means except by rod, spear, or gaff, in any of the waters of Alaska over which the United States has jurisdiction, except Cook Inlet, the Delta of Copper River, Bering Sea, and the waters tributary thereto, from six o'clock post-meridian of Saturday of each week until six o'clock antemeridian of the Monday following, or to fish for, or catch, or kill in any manner or by any appliances except by rod, spear, or gaff, any salmon in any stream of less than one hundred yards in width in Alaska between the hours of six o'clock in the evening and six o'clock in the morning of the following day of each and every day of the week. Throughout the weekly close season herein prescribed the gate, mouth, or tunnel of all stationary and floating traps shall be closed, and twenty-five feet of the webbing or net of the "heart" of such traps on each side next to the "pot" shall be lifted or lowered in such manner as to permit the free passage of salmon and other fishes.

SEC. 6. That the Secretary of Commerce and Labor may, in his discretion, set aside any streams or lakes as preserves for spawning grounds, in which fishing may be limited or entirely prohibited; and when, in his judgment, the results of fishing operations in any stream, or off the mouth thereof, indicate that the number of salmon taken is larger than the natural production of salmon in such stream, he is authorized to establish close seasons or to limit or prohibit fishing entirely for one year or more within such stream or within five hundred yards of the mouth thereof, so as to permit salmon to increase: *Provided, however,* That such power shall be exercised only after all persons interested shall be given a hearing, of which due notice must be given by publication; and where the interested parties are known to the department they shall be personally notified by a notice mailed not less than thirty days previous to such hearing. No order made under this section shall be effective before the next calendar year after same is made: *And provided further,* That such limitations and prohibitions shall not apply to those engaged in catching salmon who keep such streams fully stocked with salmon by artificial propagation.

SEC. 7. That it shall be unlawful to can or salt for sale for food any salmon more than forty-eight hours after it has been killed.

SEC. 8. That it shall be unlawful for any person, company, or corporation wantonly to waste or destroy salmon or other food fishes taken or caught in any of the waters of Alaska.

SEC. 9. That it shall be unlawful for any person, company, or corporation canning, salting, or curing fish of any species in Alaska to use any label, brand, or trade-mark which shall tend to misrepresent the contents of any package of fish offered for sale: *Provided,* That the use of the terms "red," "medium red," "pink," "chum," and so forth, as applied to the various species of Pacific salmon under present trade usages, shall not be deemed in conflict with the provisions of this act when used to designate salmon of those known species.

SEC. 10. That every person, company, and corporation engaged in catching, curing, or in any manner utilizing fishery products, or in operating fish hatcheries in Alaska, shall make detailed annual reports thereof to the Secretary of Commerce and Labor, on blanks furnished by him, covering all such facts as may be required with respect thereto for the information of the department. Such reports shall be sworn to by the superintendent, manager, or other person having knowledge of the facts, a separate blank form being used for each establishment in cases where more than one cannery, saltery, or other establishment is conducted by a person, company, or corporation, and the same shall be forwarded to the department at the close of the fishing season and not later than December fifteenth of each year.

SEC. 11. That the catching or killing, except with rod, spear, or gaff, of any fish of any kind or species whatsoever in any of the waters of Alaska over which the United States has jurisdiction, shall be subject to the provisions of this act, and the Secretary of Commerce and Labor is hereby authorized to make and establish such rules and regulations not inconsistent with law as may be necessary to carry into effect the provisions of this act.

SEC. 12. That to enforce the provisions of this act and such regulations as he may establish in pursuance thereof, the Secretary of Commerce and Labor is authorized and directed to depute, in addition to the agent and assistant agent of salmon fisheries now provided by law, from the officers and employees of the Department of Commerce and Labor, a force adequate to the performance of all work required for the proper investigation, inspection, and regulation of the Alaskan fisheries and hatcheries, and he shall annually submit to Congress estimates to cover the cost of the establishment and maintenance of fish hatcheries in Alaska, the salaries and actual traveling expenses of such officials, and for such other expenditures as may be necessary to carry out the provisions of this act.

SEC. 13. That any person, company, corporation, or association violating any provision of this act or any regulation established in pursuance thereof shall, upon conviction thereof, be punished by a fine not exceeding one thousand dollars or imprisonment at hard labor for a term of not more than ninety days, or by both such fine and imprisonment, at the discretion of the court; and in case of the violation of any of the provisions of section four of this act and conviction thereof a further fine of not more than two hundred and fifty dollars per diem may, at the discretion of the court, be imposed for each day such obstruction is maintained. And every vessel or other apparatus or equipment used or employed in violation of any provision of this act, or of any regulation made thereunder, may be seized by order of the Secretary of Commerce and Labor, and shall be held subject to the payment of such fine or fines as may be imposed.

SEC. 14. That the violation of any provision of this act may be prosecuted in any district court of Alaska or any district court of the United States in the States of California, Oregon, or Washington. And it shall be the duty of the Secretary of Commerce and Labor to enforce the provisions of this act and the rules and regulations made thereunder. And it shall be the duty of the district attorney to whom any violation is reported by any agent or representative of the Department of Commerce and Labor to institute proceedings necessary to carry out the provisions of this act.

SEC. 15. That all acts or parts of acts inconsistent with the provisions of this act are, so far as inconsistent, hereby repealed.

SEC. 16. That this act shall take effect and be in force from and after its passage.

Approved, June 26, 1906.

AN ACT To prohibit aliens from fishing in the waters of Alaska.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That it shall be unlawful for any person not a citizen of the United States, or who has declared his intention to become a citizen of the United States, and is not a bona fide resident therein, or for any company, corporation, or association not organized or authorized to transact business under the laws of the United States or under the laws of any State, Territory, or District thereof, or for any person not a native of Alaska, to catch or kill, or attempt to catch or kill, except with rod, spear, or gaff, any fish of any kind or species whatsoever in any of the waters of Alaska under the jurisdiction of the United States: *Provided, however,* That nothing contained in this act shall prevent those lawfully taking fish in the said waters from selling the same, fresh or cured, in Alaska or in Alaskan waters, to any alien person, company, or vessel then being lawfully in said waters: *And provided further,* That nothing contained in this act shall prevent any person, firm, corporation, or association lawfully entitled to fish in the waters of Alaska from employing as laborers any

aliens who can now be lawfully employed under the existing laws of the United States, either at stated wages or by piecework, or both, in connection with Alaskan fisheries, or with the canning, salting, or otherwise preserving of fish.

SEC. 2. That every person, company, corporation, or association found guilty of a violation of any provision of this act or of any regulation made thereunder shall, for each offense, be fined not less than one hundred dollars nor more than five hundred dollars, which fine shall be a lien against any vessel or other property of the offending party or which was used in the commission of such unlawful act. Every vessel used or employed in violation of any provision of this act or of any regulation made thereunder shall be liable to a fine of not less than one hundred dollars nor more than five hundred dollars, and may be seized and proceeded against by way of libel in any court having jurisdiction of the offense.

SEC. 3. That the violation of any provision of this act or of any regulation made thereunder may be prosecuted in any United States district court of Alaska, California, Oregon, or Washington.

SEC. 4. That the collector of customs of the District of Alaska is hereby authorized to search and seize every foreign vessel and arrest every person violating any provision of this act or any regulation made thereunder, and the Secretary of Commerce and Labor shall have power to authorize officers of the Navy and of the Revenue-Cutter Service and agents of the Department of Commerce and Labor to likewise make searches, seizures, and arrests. If any foreign vessel shall be found within the waters to which this act applies, having on board fresh or cured fish and apparatus or implements suitable for killing or taking fish, it shall be presumed that the vessel and apparatus were used in violation of this act until it is otherwise sufficiently proved. And every vessel, its tackle, apparatus, or implements so seized shall be given into the custody of the United States marshal of either of the districts mentioned in section three of this act, and shall be held by him subject to the proceedings provided for in section two of this act. The facts in connection with such seizure shall be at once reported to the United States district attorney for the district to which the vessel so seized shall be taken, whose duty it shall be to institute the proper proceedings.

SEC. 5. That the Secretary of Commerce and Labor shall have power to make rules and regulations not inconsistent with law to carry into effect the provisions of this act. And it shall be the duty of the Secretary of Commerce and Labor to enforce the provisions of this act and the rules and regulations made thereunder, and for that purpose he may employ, through the Secretary of the Treasury and the Secretary of the Navy, the vessels of the United States Revenue-Cutter Service and of the Navy: *Provided, however,* That nothing contained in this act shall be construed as affecting any existing treaty or convention between the United States and any foreign power.

Approved, June 14, 1906.

Mr. DORR (continuing). Now, for instance, in the general license act, take the item of lumber. The license tax on lumber is 10 cents per thousand. It does not differentiate between the different grades of lumber, and there is lumber in southeastern Alaska that is worth \$150 a thousand. That is Alaska cedar; that fine, white cedar, the finest in the world. The tax on that cedar is the same as on the cheaper grades of lumber.

The CHAIRMAN. Is there any of that cedar being manufactured?

Mr. DORR. I do not think there is any quantity. Some small quantity of it is being utilized, but it is a very fine-grained, high-class lumber.

The CHAIRMAN. Is there any of it being shipped out of there that you know of?

Mr. DORR. It is similar to the Port Orford cedar that grows in Oregon.

The CHAIRMAN. Is any of it shipped out of Alaska?

Mr. DORR. Oh, it is against the law to ship it out.

The CHAIRMAN. Whatever use is made of it is local.

Mr. DORR. It is a local use and must be under the law.

Mr. WICKERSHAM. It is used only once in a while for a pilaster on a stairway or something of that kind.

Mr. DORR. That is all the use there is for it there. If it could be shipped it could be utilized and sold at a good price.

Mr. WICKERSHAM. There is very little of it?

Mr. DORR. There is not a great quantity of it.

The CHAIRMAN. That I suppose is the reason why it is not permitted to be shipped out.

Mr. DORR. No lumber in Alaska is permitted to be shipped out.

Mr. WICKERSHAM. Oh, yes. They are shipping it out now.

Mr. MOSER. You mean manufactured lumber.

Mr. WICKERSHAM. Since the Bureau of Forestry has gone in there they have sold that lumber and it may be shipped out. I presume that is the reason.

Mr. DORR. Now, the general license tax provides:

That any person or persons, corporation, or company prosecuting or attempting to prosecute any of the following lines of business within the district of Alaska shall first apply for and obtain license so to do from a district court or a subdivision thereof in said district, and pay for said license for the respective lines of business and trade as follows, to wit:

Then all these lines of business that are subject to the license are specified, and outside of mercantile establishments and canneries, which are taxed on their output, lumber mills, and manufacturing establishments there is no distinction at all as to the quantity of business they do.

For instance, take an abstract office. That is the first item in the act. It is \$50 per annum whether you run 2 clerks or 100 clerks. Banks pay \$250 per annum, regardless of the volume of business they do.

The CHAIRMAN. I do not think you need spend further time on that, Mr. Dorr.

Mr. DORR. I merely speak of that to illustrate the point I am trying to make, that this is an occupation tax and not a specific tax on values.

The CHAIRMAN. I am sure you have made that clear.

Mr. WICKERSHAM. I think we all agree upon that.

Mr. DORR. The reason I mention that point is because there has been more or less said in these hearings as to the value of the product of the salmon canners as a basis, or an estimate for fixing the tax; and I contend that that was not the theory of the law at all.

Mr. WEBB. Mr. Dorr, would not that be so in the liquor license tax?

Mr. DORR. No; that is graduated.

Mr. WEBB. Wholesale and retail.

Mr. DORR. Well, it is graduated as to communities, too. It runs, I think, from \$500 to \$1,500, according to the size of the town or locality.

Mr. MOSER. May I say a word in this connection before leaving this subject?

The CHAIRMAN. Certainly, Captain.

Mr. MOSER. Mr. Dorr has estimated the value of the raw material at \$1 per case. He said not to exceed \$1 per case. I think that estimate is very much greater than it really is, to the canner. We have gone into that matter very carefully, and, as I said in my hearing, the value of the raw material—the raw salmon—canned in Alaska by all the canners in any one year never has exceeded \$1,250,000.

The CHAIRMAN. That would be at the rate of how much a case?

Mr. MOSER. Well, take the extreme years——

The CHAIRMAN. Mr. Dorr made his basis on the value of the case.

Mr. MOSER. It would probably be not more than half that, because the Alaska pack in recent years has been about 2,500,000 cases.

The CHAIRMAN. You would figure it at about 50 cents a case?

Mr. MOSER. Nearer that.

Mr. WICKERSHAM. In other words, you get 50 cents' worth of our fishes up there for 4 cents—the material. Is that it?

Mr. MOSER. Yes.

Mr. WICKERSHAM. Do you not think they ought to pay more than that?

Mr. BROWNE. Do you make a distinction between fish and other wild animals in which there is no property?

Mr. WICKERSHAM. Oh, yes; everybody makes a distinction. If you came up there and undertook to kill our carabou they would put you into jail.

Mr. DORR. Yes; they have game laws in Alaska that appear to me to have been passed with the idea of making a park or reservation out of Alaska. I have been trying for two years to get a specimen of a moose head out of Alaska, but I have failed to do so lawfully, and I will not do it any other way; but I find that some of our English friends can go over there and take a carload out. I have a picture of an expedition of that kind at home. One of the English noblemen has more specimens than would fill this room, and yet I, as an American citizen, can not get a single moose head out of there.

As entering into the cost of salmon and as an element showing the increased cost of the finished product in the last two or three years, I want to submit a schedule of the fishermen's wages. In this schedule I have shown the wages that existed in 1907 and the wages that existed for the same work in 1911—four years later.

Without referring to this schedule at length, I will state that it shows increases ranging from $8\frac{1}{2}$ per cent, which is the lowest increase, to 100 per cent, which is the highest increase; and that the average increase is about 50 per cent in four years.

The CHAIRMAN. Will you make just a brief summary of the amount of wages paid, Mr. Dorr, per man and per day?

Mr. DORR. This schedule does not show that, Mr. Chairman, but it shows the rate on which the annual wages are computed. For instance, in the Bristol Bay district in 1907 fishermen received for what they call their run money \$50. In 1911 that was increased to \$75 each. In the same district they received for king salmon 5 cents per man in 1907, and in 1911 10 cents per man, and it takes two men to deliver a fish.

The CHAIRMAN. So it would be instead of 10, 20 cents per fish?

Mr. DORR. Yes; and the price has just doubled. For the red or coho salmon they received in 1907 a cent and a half a man, or 3 cents per fish; in 1911 they received a cent and three-quarters per man, or $3\frac{1}{2}$ cents per fish. There is, therefore, an increase of $16\frac{2}{3}$ per cent on the red fish.

The CHAIRMAN. If you want to put that table into the record, what you have given sufficiently explains it, I think.

Mr. DORR. That is a fair illustration of the entire table.

I have taken this table from their own schedules, and these schedules are made up by the fishermen themselves. They have one of the strongest and best organized trades unions that exist on the Pacific coast, and they absolutely determine these prices. The employers are helpless. Of course, they negotiate with them, and it is all done fairly and openly and above board.

The CHAIRMAN. But they control the supply of labor?

Mr. DORR. Yes; they control the supply of labor absolutely, and they publish each year a pamphlet which contains their prices for that year and the employers simply pay those prices.

The CHAIRMAN. I think we will have one of these pamphlets put into the record.

Mr. DORR. Let me say also that I have a copy of the pamphlet issued in 1907 which will give you the comparison with the one of 1911.

The CHAIRMAN. What about the articles aside from the prices? Is there any difference?

Mr. DORR. The conditions are substantially the same; there has been some change to the advantage of the men employed.

Mr. WICKERSHAM. What articles are they, Senator?

Mr. DORR. They are stipulations and conditions.

The CHAIRMAN. "Articles of agreements and wage scale for the season 1907 between the various Alaska salmon packers and the Alaska Fishermen's Union."

Mr. BROWNE. I understand you are absolutely dependent upon that labor supply?

Mr. DORR. Absolutely, except in a very small degree in southeastern Alaska; and in southeastern Alaska to a small extent the cannery find sufficient local help to supply a good part of their demand for labor; but that is only a small item as compared with the whole district.

Mr. WICKERSHAM. Mr. Dorr, has the Alaska Packers' Association a cannery at Wrangell?

Mr. DORR. Yes, sir.

Mr. WICKERSHAM. Where is it situated at Wrangell?

Mr. DORR. You are acquainted with the geography there, I suppose?

Mr. WICKERSHAM. Yes.

Mr. DORR. It is just around in the bay to the eastward of Wrangell proper.

Mr. WICKERSHAM. It is around next to the river.

Mr. MOSER. Point Highfield; about a mile and a half from Wrangell by water.

Mr. WICKERSHAM. Capt. Moser, have you a Chinese boss there by the name of Chew Mock?

Mr. MOSER. Yes.

Mr. WICKERSHAM. How long has he been with you?

Mr. MOSER. He is a labor contractor for several different locations. He furnishes the orientals for that location.

Mr. WICKERSHAM. Does he not furnish other than orientals?

Mr. MOSER. No; he furnishes what we call the oriental crew—the cannery crew. Of course they are Porto Ricans and Mexicans and all mixed in together.

Mr. WICKERSHAM. Portuguese and all classes of people?

Mr. MOSER. No; there are not any Portuguese. They are Filipinos and people of that race.

Mr. WICKERSHAM. What wages do you pay there at that cannery?

Mr. MOSER. You mean per case?

Mr. WICKERSHAM. No; per season. For instance, take 1911. What did you pay the cannery men there?

Mr. MOSER. The cannery men—Chew Mock and his people?

Mr. WICKERSHAM. Yes.

Mr. MOSER. I do not know what the contract was.

Mr. WICKERSHAM. How many of the men did he hire—Chew Mock?

Mr. MOSER. He hires so many men per line of machines; usually about 55 men per line of machines.

Mr. WICKERSHAM. And how many lines of machines do you have there?

Mr. MOSER. We have three there.

Mr. WICKERSHAM. And he hired all the men who ran those machines?

Mr. MOSER. He hired all these men.

Mr. WICKERSHAM. All your other men are employed there by your company?

Mr. MOSER. Our foreman and our mechanics; the people who operate the mechanical features of the cannery; men who do the fishing and work of that kind.

Mr. WICKERSHAM. Mr. Chairman, in connection with this matter of wages, and so forth, I have a contract signed by Chew Mock and one Zacharias Fernandez which I would like to have go into the record. It is an original contract between these people for work at this cannery at Wrangell. It shows the sum they contracted to pay that particular man and I understand the other contracts were the same.

The CHAIRMAN. Was this a contract between the packers themselves or was it with their contractor?

Mr. WICKERSHAM. It is their contractor.

Mr. MOSER. Our labor contractor—Chew Mock.

The CHAIRMAN. All right. We will put that in. We will also include in the record this 1911 "Articles of Agreement and Wage Scale"; also the 1907 agreement from the word "compensation" on page 9. That will show the compensation paid in 1911 and the compensation paid in 1907, according to these agreements.

Mr. WICKERSHAM. Senator, the contract which I have offered here will show what I understand to be the real wages paid to these men.

The CHAIRMAN. Of course, we have already had it explained in the record how these packers secure their labor; that they make a contract with a contractor who hires the labor.

Mr. DORR. Judge Wickersham, you do not claim that the man who is designated in the contract that you offer is a man that comes under the Fishermen's Union scale or a man that the packer himself employs, do you?

Mr. WICKERSHAM. No; I understand from Capt. Moser's statement that he is employed by Chew Mock.

Mr. DORR. That is the Chinese contractor.

Mr. WICKERSHAM. That is as I understand it.

Mr. MOSER. Yes.

The CHAIRMAN. Of course, as I understand it, the packers do not have any interest whatever in what the man they contract with pays to the man who does the work.

Mr. MOSER. No; we have nothing to do with that.

The CHAIRMAN. You agree with this contractor to pay so much for so much labor, and then he pays these men whatever he can contract with them for.

Mr. WICKERSHAM. This contract shows what he pays men who work in their fishery at Wrangell.

Mr. DORR. That would show what the contractor paid one of his men.

Mr. MOSER. You do not know in what capacity this man worked, do you?

Mr. WICKERSHAM. No; only what the contract shows.

Mr. MOSER. Was he a laborer?

Mr. WICKERSHAM. Yes, apparently. They paid him \$165 for the season.

Mr. MOSER. He is probably a laborer.

The schedules and contract are as follows:

Alaska fishermen's wage scale, showing rates of increase in four years.

[Compiled from the articles of agreement and wage scale between the various Alaska salmon packers and the Alaska Fishermen's Union for the years 1907 and 1911, as shown by the schedules of the union.]

	1907	1911	Increase.
Bristol Bay:			<i>Per cent.</i>
Gill-netters, run money per man	\$50.00	\$75.00	50
King salmon.....	.05	.10	100
Red or coho.....	.01½	.01½	16½
Chums.....	.01	.01	.....
Pinks.....	.00½	.00½	.....
NOTE.—The men fish in pairs; the price should therefore be doubled to determine the fish rate.			
Beachmen and trapmen, run money per man.....	75.00	125.00	66½
Percentages not materially changed. The percentage depends upon the season's outfit for the station to which they are assigned.			
Karluk:			
Monthly wages per man for season.....	35.00	35.00	.....
Percentages per man per 1,000 cases packed.....	1.25	2.00	60
Percentages per man per 1,000 cases fresh fish shipped to other stations..	.62½	1.00	60
Net increase on 100,000 cases packed, about.....			22
Chignik:			
Monthly wages per man for season.....	35.00	35.00	.....
Percentages per man per case packed.....	.00½	.00½	50
Percentages per man per case fresh fish shipped to other stations.....	.00½	.00½	50
Net increase on 50,000 pack, about.....			22
Fort Wrangell:			
Run money per man.....	125.00	150.00	20
Percentage basis changed, making comparison impossible, but rate has been increased.			
Loring:			
Run money per man.....	60.00	65.00	8½
Percentage basis changed, making comparison impossible, but rate has been increased.			

ARTICLES OF AGREEMENTS AND WAGE SCALE FOR THE SEASON 1907 BETWEEN THE VARIOUS ALASKA SALMON PACKERS AND THE ALASKA FISHERMEN'S UNION.

COMPENSATION.

(1907 Schedule.)

All gill-net fishermen in Bering Sea to receive \$50 as run money.
In addition to this each gill-net fisherman shall receive 5 cents for each king salmon weighing over 15 pounds, 1½ cents for each red or coho salmon, 1 cent for each chum or dog salmon, and one-half cent for each pink salmon caught and delivered to the company.

The company is not compelled to take any dog or pink salmon, but if received they are to be paid for at above rates.

The company reserves the right to limit each boat to not less than 1,200 salmon per day. When boats are on limit, each boat shall have the right to deliver its salmon during each day, from midnight to midnight, and if necessary during such day make more than one delivery.

NUSHAGAK RIVER—BEACHMEN.

Beachmen for the Alaska Packers' Association shall each receive in addition to the wages of \$75 for the run one-ninth of 1 cent per case for all salmon canned at the (PHJ) and (NG) canneries of the association and 1 cent per barrel for all salmon salted at the cannery to which they are attached, at Nushagak River, Alaska, during the season of 1907.

NUSHAGAK RIVER—TRAPMEN.

Each trapman shall receive in addition to the wages of \$75 for the run one-ninth of 1 cent per case for all salmon canned at the (PHJ) and (NG) canneries of the Alaska Packers' Association at the Nushagak River, Alaska, during the season of 1907.

EGEGAK RIVER—BEACHMEN.

For the A. P. A.: Each beachman shall receive in addition to his wages of \$75 for the run one-half of 1 cent per case for all salmon canned and 1 cent per barrel for all salmon salted at the (E) cannery of the Alaska Packers' Association at Egegak River, Alaska, during the season of 1907.

A. P. A., NAKNEK RIVER—BEACHMEN.

Each beachman shall receive in addition to the wages of \$75 for the run one-eighth of 1 cent per case for all salmon canned at the (NN) and (O) canneries of the association and 1 cent per barrel for all salmon salted at the cannery to which they are attached at Naknek River, Alaska, during the season of 1907.

A. P. A., KOGGIUNG RIVER—BEACHMEN.

Each beachman shall receive in addition to the wages of \$75 for the run one-sixth of 1 cent per case for all salmon canned and 1 cent per barrel for all salmon salted at the (J) cannery of the Alaska Packers' Association at Kvichak River, Alaska, during the season of 1907.

A. P. A., KOGGIUNG RIVER—TRAPMEN.

Each trapman shall receive in addition to the wages of \$75 for the run one-sixth of 1 cent per case for all salmon canned at the (J) cannery of the Alaska Packers' Association at Kvichak River, Alaska, during the season of 1907.

NORTH ALASKA SALMON CO.

Trapmen for the North Alaska Salmon Co. to receive \$75 run money and one-fifth of 1 cent per case for all salmon canned by the North Alaska Salmon Co.'s Lockonock and Hallerville canneries at Koggiung River, Alaska.

ALITAK, ALASKA.

Each party of the second part (except those who ship on other specified wages as noted on the articles) shall receive in addition to the wages of \$75 for the run eight-tenths of 1 cent per case for all salmon packed at the (A) cannery of the Alaska Packers' Association at Alitak, Alaska, during the season of 1907, and four-tenths of 1 cent per case for all salmon caught by the Alitak fishermen and shipped away.

Any man who is discharged or by mutual arrangement ceases to work before the end of the season shall be paid at the rate of \$50 per month for actual time of service in lieu of all other compensation.

COOKS INLET, ALASKA.

The Alaska Packers' men here are paid identically the same as at Alitak and same conditions.

CHIGNIK, ALASKA.

All fishermen shall receive in addition to the wages of \$35 per month from date of sailing from until return to San Francisco one-third of 1 cent per case for all salmon packed at the (C) cannery of the Alaska Packers' Association at Chignik, Alaska, during the season of 1907 and one-sixth of 1 cent per case for all salmon caught by the Chignik fishermen and shipped away.

The association may exchange or divide salmon or may fish jointly with any outside company at Chignik, and the men will do all such work when ordered by the superintendent, but they shall not be required to handle gear or other work for any outside company.

This same schedule and conditions also hold good with the Northwestern Fisheries Co.'s cannery at Chignik, with the exception that the men's monthly pay for this company is from time of leaving until returning to Seattle.

(K. S.) A. P. A., KARLUK, ALASKA.

Each party of the second part (except those who ship on other specified wages as noted on the articles) shall receive in addition to the wages of \$35 per month from date of arrival at Karluk until date of sailing from Karluk \$1.25 per thousand cases per man for all salmon packed at the canneries of the association at Karluk, Alaska, during the season of 1907 and 62½ cents per thousand cases per man for all salmon caught by the association at Karluk and shipped away.

Each complete fishing gang to consist of 15 men. If any gang is short of that number (except in case of sickness or temporary assignment to other duties) the percentage which would have been earned by such absent men during such time shall be equally divided among all the balance of the men then working as fishermen.

NORTHWESTERN FISHERIES CANNERY, UYAK BAY, KODIAK ISLAND, ALASKA.

Each fisherman at Uyak Bay shall receive \$30 per month from time of arrival until time of departure from Uyak Bay. In addition to this all men at Uyak Bay shall receive \$15 for each and every 1,000 good red salmon caught and delivered and \$7.50 for each and every 1,000 humpbacks caught and delivered, this to be divided by 65, each fisherman at Uyak Bay to receive as his percentage one sixty-fifth part of all fish caught and delivered. Each and every beach and fisherman shall stand engaged until the end of the fishing season.

NORTHWESTERN FISHERIES CO., COPPER RIVER, ALASKA.

All fishermen to receive \$15 per month from time of arrival until time of departure from Copper River. In addition to this each man to receive 2 cents for each good red salmon caught and delivered, and 5 cents for each king salmon caught and delivered, and \$5 for each 1,000 white salmon caught with a seine and delivered.

(L.) A. P. A. CANNERY, LORING, ALASKA.

Each party of the second part (except those who ship on other specified wages as noted on the articles) shall receive \$60 per month from date of sailing from until return to San Francisco.

(F. W.) A. P. A., FORT WRANGELL CANNERY, ALASKA.

Each party of the second part (except those who ship on other specified wages as noted on the articles) shall receive in addition to the wages of \$125 for the run, as follows:

The An An Creek fishermen, \$4 per thousand for pink salmon and \$8 per thousand for chum salmon.

The seiners, other than those assigned to An An Creek, \$6 per thousand for pink salmon and \$12 per thousand for chum salmon.

All fishermen to receive 10 cents for each red king salmon and 6 cents for each red or coho salmon.

The proceeds for all fish caught and delivered by each crew to be divided equally among the men comprising such crew.

The association has the right to limit all fishing to the capacity of the cannery to pack, but shall not limit the San Francisco fishermen outside of An An Creek men to less than 1,000 fish per man per day during the open fishing season days.

The association is not compelled to take any chum salmon, but if received they are to be paid for at above rates.

Seiners outside of the An An men who work through the season and return to San Francisco shall receive a bonus of \$25 per man.

(P. H.) A. P. A. CANNERY, PYRAMID HARBOR, ALASKA.

Each party of the second part (except those who ship on other specified wages as noted on the articles) shall receive in addition to the wages of \$100 for the run:

One-half cent per case for all salmon packed at the (P. H.) cannery of the Association at Pyramid Harbor, Alaska, during the season of 1907. (Gill-net fishermen, trapmen, and beachmen all receive the same pay and percentage at Pyramid Harbor.)

Any man who is discharged or by mutual arrangement ceases to work before the end of the season shall be paid at the rate of \$50 per month for actual time of service in lieu of all other compensation.

A. P. A. SALTING STATION, EGUSHIK RIVER, ALASKA.

Each beachman to receive \$75 for the run and 7 cents per barrel for all salmon put up at Egushik River by the A. P. A. (Preparations made for 3,500 barrels.)

PETER M. NELSON'S SALTING STATION, EGUSHIK RIVER, ALASKA.

Each beachman to receive \$75 run money and 5 cents per barrel for all salmon put up by P. M. Nelson at Egushik River. (Preparations made for 6,000 barrels.)

NORTHWESTERN PACKING CO.'S SALTING STATION, KOGGIUNG RIVER, ALASKA.

Each beachman to receive \$75 for the run and 5 cents per barrel for all salmon put up by said company at Koggiung River Salting Station. (Preparations made for 5,000 barrels.)

L. A. PEDERSEN'S CANNERY, KOGGIUNG RIVER, ALASKA.

Each beachman to receive \$75 for the run and 1 cent per case for all salmon canned at the said Pedersen's cannery and 1 cent per barrel for all salmon salted at the cannery to which he is attached at Koggiung River, Alaska, during the season of 1907.

Beach and trap men going to Bristol Bay, Alaska, for the various companies from Portland and Astoria, Oreg., are each to receive \$35 per month from time of leaving till time of arriving back to Astoria or Portland, Oreg., and as percentages one-third of 1 cent per case for all salmon put up by the respective cannery to which they are assigned.

NELSON LAGOON SALTING STATION, BEAR RIVER, ALASKA.

Each man to receive \$75 run money and 6 cents for each barrel of salmon salted.

HOLBROOK, ALASKA, SALTING STATION.

Each man to receive \$75 run money and 6 cents per barrel for all salmon caught and put up by said company at Holbrook, Alaska.

NORTHWESTERN FISHERIES CO. OF SEATTLE.

Each beach and trap man to receive \$75 run money and one-half of 1 cent per case for all salmon put up by said company at Nushagak River, Alaska.

THE ALASKA SALMON CO., WOOD RIVER, ALASKA.

Each beachman to receive \$75 run money and one-half of 1 cent per case for all salmon put up by the Alaska Salmon Co. cannery at Wood River, Alaska.

Each trapman to receive \$20 per month from the time of leaving San Francisco until return to San Francisco and one-half of 1 cent per case for all salmon canned by the Alaska Salmon Co. at Wood River, Alaska.

Respectfully submitted.

I. N. HYLEN,
Secretary Alaska Fishermen's Union.

Headquarters, 93 Steuart Street, San Francisco, Cal.

ARTICLES OF AGREEMENTS AND WAGE SCALE FOR THE SEASON 1911 BETWEEN THE VARIOUS ALASKA SALMON PACKERS AND THE ALASKA FISHERMEN'S UNION.

General articles of agreement, wages, and percentages agreed upon between the Alaska Fishermen's Union and the various Alaska salmon packers, for the season of 1911, adopted by the Alaska Fishermen's Union in regular meeting held Friday night, March 10, 1911.

AGREEMENT—SEAMEN, FISHERMEN, BEACHMEN, TRAPMEN.

The agreement attached to and made a part of the shipping articles between ———, a corporation of ———, the party of the first part, and hereinafter referred to as ———, and each of the men signing the articles as party of the second part, witnesseth:

SECTION 1. The parties of the second part hereby engage in the service of said ——— and agree and promise with and to said ——— for the consideration hereinafter mentioned that they will during the time they shall remain in the employ of said ——— faithfully, honestly, and diligently work and labor in the capacity of seamen, fishermen, beachmen, trapmen. Also to work on boats, lighters, steamers, and in salteries, canneries, and/or in any other capacity, up and down, and at and about ——— or elsewhere in ———, Alaska, as directed by the superintendent, during the salmon fishing season of 191—.

SEC. 2. They agree to give their whole time and energy to the business and interests of said ——— and to work day or night (Sundays and holidays not excepted), according to the lawful orders of the captain, superintendent, or whoever may be in charge for the ——— as per specifications of these articles, and for the compensation herein provided, but shall not be required to work for outside parties.

SEC. 3. The time of service shall be from the date of sailing from, until return to ———, all on vessels to be designated by the ———, except in case of shipwreck or necessitated abandonment of the ship through stress of weather, or lawful discharge, then all wages shall cease at the date of such casualty or discharge, except for such men as are paid for the run; if such disaster occurs after fishing season, these men shall receive the full run money. All men assigned to such abandoned or wrecked vessel to be given free return passage.

SEC. 4. Gives the compensation which will be found under separate headings for the various parts of Alaska.

SEC. 5. Men not on monthly or season's wages shall be paid compensation at regular coasting rates, if vessel on which they sail from home port for Alaska calls for cargo on the uptrip at any port not in Alaska, the extra time to be computed from date of departure from home port until the vessel's departure from such intermediate port.

Men not on monthly or season's wages returning on vessels leaving canneries for home port via any intermediate port shall be paid compensation at the rate of \$60 per month for time in calling at intermediate port, the extra time to be computed by adding to average time of home voyages of all other sailing vessels (or steamers as the case may be) of the ——— sailing from the same locations direct to home port during the season.

Men arriving from Alaska on ——— vessels at a port of destination other than ——— shall receive at that destination, in addition to their agreed pay, steerage transportation to ——— or the equivalent thereof in money.

Such transportation shall not be required to be furnished to men who have shipped in the same United States customs district as the port of destination.

SEC. 6. If any fishermen, beachmen, or trap men are put to work receiving cargo from ——— canneries under different superintendency, or from or to other parties, such men shall be paid extra compensation for this work at the rate of 40 cents per hour per man, money so earned to be paid the men doing such work.

It is expressly understood that discharging any Bristol Bay vessel carrying cargo of the ——— to various Bristol Bay canneries shall not be considered extra work, and no extra compensation whatsoever shall be paid therefor, except such cargo be for outside parties and as provided in section 11. Cargo loaded or discharged for other parties shall be paid for as above.

Coaling any of the ——— steamers shall not be considered as extra work, and no extra compensation shall be paid therefor.

In cases of emergency, such as safety of ships or ——— property being in danger, such work to be done at any and all times without extra compensation.

If any fishermen, beachmen, or trap men are put to work on the construction of new buildings, extensions to buildings, stationary wharves, or ways, or boats, or lighters, or new telephone or telegraph lines, before or after the fishing time, such men shall be

paid extra compensation at the rate of \$3 per man per day. This section does not apply to any repair work.

Men put to work on telegraph or telephone lines shall be remunerated for extra wear of their oilskins and rubber boots out of the total of these special earnings.

The balance of these earnings to be equally divided between all the fishermen, beachmen, and trap men attached to the cannery.

SEC. 7. In case of permanent stoppage of salmon canning at the cannery by reason of inevitable accident or casualty during the fishing season and before three-quarters of the pack has been made, according to the Chinese guarantee, such men as are not transferred to another cannery shall then receive in addition to percentages earned and monthly wages then earned or one-half the run money \$50 per month from time of such stoppage or destruction of cannery until return to home port.

If three-quarters of the pack has been made according to the Chinese guarantee, the men who are not transferred to another cannery shall continue to do such work as the superintendent may direct for not over 21 days from the date that canning operations cease, without extra compensation; but if retained longer than 21 days on the ground, they shall receive in addition to percentages earned and one-half the run money, wages at the rate of \$50 per month from time of expiration of the 21 days until return to home port. Ten hours to constitute a day's work on the ground from time of such permanent stoppage or destruction of cannery.

Each cannery shall be supplied with material sufficient for 21,000 cases of forty-eight 1-pound cans, or the equivalent, for every filling machine operated. Except in case of loss of material, wholly or in part through shipwreck or otherwise, fishermen, beachmen, and trapmen shall be paid at the regular ratio of pay prevailing at such cannery for the amount of any shortage, provided, however, that the material on hand has been used up in canning before the run of salmon ceases.

SEC. 8. Men not able to both steer and go aloft shall stand their respective watches.

Fifteen dollars shall be deducted from any and all fishermen, beachmen, and trapmen not able to both steer and go aloft, money so deducted to be equally divided between the men able to both steer and go aloft in such vessel.

The captain, together with the ship's delegate, to decide and to make note of who are sailors or not, and on arrival at the cannery furnish the superintendents a list of names of those who are not sailors. The Chinese watchmen, lamp trimmers, the net gang, the water tenders, first, second, and third mates, if they are fishermen, beachmen, or trapmen, shall be considered as men able to steer and go aloft, and as such be entitled to the division of the money deducted from men not able to steer and go aloft. Men not able to both steer and go aloft shall not be placed on the lookout. It shall, however, be distinctly understood that the net gang shall be composed of no more than one man for every six boats for the cannery to which he is attached, and that on the home run from Alaska the net gang shall do such work on the deck as they may be able to do, in accordance with reading of sections 8 and 10 in this agreement.

SEC. 9. Men who stay on vessels while discharging and loading agree to work all cargo to or from any lighters, steamers, vessels, or canneries belonging to the ———; also to clean ship, bend and unbend sails, and prepare hold for cargo, in accordance with section 6.

SEC. 10. Men shall not be required to clean quarters of orientals. After vessel leaves Alaska for ———, all men shall clean and scrape ship when ordered.

SEC. 11. Before fishing commences and after it has closed the men shall have one day off in every seven, and if that is not given, they are to be paid at the rate of 40 cents per hour per man for every hour worked on Sunday. Extra money so earned to be paid the men or man doing such work.

For refusal to do such work, each man shall pay the ——— \$3.75 per man every day they so refuse.

The beginning and ending of the fishing season to be determined by the superintendent.

SEC. 12. At the time of signing these articles, gill-net fishermen shall be given the numbers of their respective boats.

Each boat used for gill-net fishing shall be equipped with tent, pump, bailer, and water breaker of not less than 4 gallons capacity. Boat and all equipment to be returned at end of season to cannery in good order. Articles missing to be paid for by boat's crew, except loss by unavoidable accident.

SEC. 13. All gill nets shall be numbered and selected by lot before fishing begins.

SEC. 14. After gill-net men have selected their fishing partners, the captains shall remain in their respective boats for the season, and no changes in boat pullers can be made except by the mutual consent of the men making the changes.

If any man is incapacitated from gill-net fishing on account of illness, he shall, upon recovery, be given the privilege of returning to his original boat.

If any gill-net fisherman loses his partner through sickness or otherwise and is unable to find another partner, the superintendent may select a new partner for him, or he may require such fisherman to go fishing alone, in which case he shall receive double pay for fish caught and delivered by him while fishing alone, or the superintendent may put such fisherman at any other work.

During the fishing season all fishermen must lay out nets at least once in 24 hours, weather permitting. Boat crews not doing so shall pay the ——— \$3.75 per man for every day they neglect to lay out.

SEC. 15. The ——— reserves the right to limit each boat to not less than 1,200 salmon per day, such limit to commence on midnight following notification. When boats are on limit, they shall have the right to deliver their salmon during each day, from midnight to midnight, and if necessary during such day, may make more than one delivery, but all boats must be discharged clean in the presence of the tally men. Credit to be given only up to the limit.

During the time when the boats are on the limit, any crew of a boat not having caught the limit is permitted to receive from any other boat or boats attached to the canneries sufficient salmon to fill the limit.

As long as salmon is taken from traps or outside quarters, no boats shall be placed on the limit; 48 hours, however, shall be allowed to receive fish from outside quarters that might have been loaded on steamers or lighters.

SEC. 16. If any gill-net man is put at any other work than fishing during the fishing time, or is prevented from fishing through some injury sustained while at work for the through no fault of his own, he shall receive the average of the men fishing for the cannery to which he is assigned, during such time as he does other work, or is so disabled, except while boats fishing are on the limit, then such gill-net man assigned to other work, or who is injured as above mentioned, shall be credited with the limit, provided the majority of the boats catch the limit.

Any other seaman, fisherman, beachman, or trapman, who, from injury sustained while at work for the through no fault of his own, is prevented from working, is to continue to receive his respective pay according to these agreements.

It is hereby understood that the payment of such wages during time of disability does not release the from liability, if such liability exists.

SEC. 17. The crew of each fishing boat shall discharge its own fish.

SEC. 18. All salmon must be in perfect condition and not discolored on the outside when delivered.

SEC. 19. No person shall sell or give away any fish, except as provided in section 15, and no fish shall be salted for private use.

SEC. 20. The, through its superintendent or agent in charge, may at any time discharge any party of the second part for refusal to perform tide work or for any other just cause, and his wages shall cease at the date of such discharge.

Any man who is discharged before the end of the season shall be paid at the rate of \$60 per month, for actual time of service, in lieu of all other compensation.

Any man who quits before the end of the season shall be paid at the rate of \$40 per month, for actual time of service, in lieu of all other compensation.

SEC. 21. Every discharged man shall pay to the 75 cents per day for his board, if furnished by the

SEC. 22. The shall be under no obligation to provide transportation for a discharged man beyond the first port or subport of entry reached on the voyage or on the trip of any outside vessel on which passage may be secured for such discharged man, provided the wages due him shall be then paid; otherwise he must be returned to

SEC. 23. Each party of the second part promises that no liquor shall be taken or sent on board vessel by him, and in good faith he hereby agrees to allow his baggage and effects to be searched, and in case any liquor is found in his possession at any time after leaving he agrees to allow (without any question or claim) same to be confiscated.

Every man guilty of drunkenness shall pay a fine to the of \$5 for the first offense and \$10 for each subsequent offense, the proceeds of such fines to be devoted to the library fund of the Alaska Fishermen's Union, or to any charity, as may be directed by said union.

It is also agreed that there shall be no card playing while on the ground.

SEC. 24. Should assistance be rendered to any vessel or property by any of the parties of the second part all salvage shall belong to the

SEC. 25. All members of the Alaska Fishermen's Union, while engaged under this contract, shall receive medical and surgical attendance and medicines and surgical necessities free of charge, except in cases of venereal diseases, in which event, medicines and medical attendance shall be charged for at the regular home rates.

Sec. 26. All members of the Alaska Fishermen's Union shall be given a full and complete statement of account before leaving the cannery for the home voyage.

Sec. 27. A copy of this agreement shall be placed in a most conspicuous place on board ship and in the bunk house.

Sec. 28. It is expressly agreed that neither the superintendent in charge, nor any other agent of the, has power or authority to change the provisions of this agreement.

The last part of section 15, or the part in section 4 referring to extra pay of \$3 per day for repickling salmon, to be left with the which of these propositions they prefer to adopt.

Witness

(Attach to 191.. shipping articles.)

COMPENSATION.

(1911 schedule.)

All gill-net fishermen in Bering Sea shall receive run money and percentages as follows:

Gill-net fishermen.—Each gill-net fisherman shall receive, in addition to the wages of \$75 for the run, 10 cents for each king salmon weighing over 15 pounds, 1½ cents for each red or coho salmon, 1 cent for each chum or dog salmon, and ½ cent for each pink salmon, caught and delivered to the, except that for all red salmon caught in Ugashik River by men fishing in that river exclusively said men are to receive an additional ½ cent per fish per man up to and including the first 10,000 red salmon caught per boat and delivered to said; all red salmon caught and delivered over 10,000 per boat to be paid for at the regular rate of 1½ cents per fish per man. However, should the average of Ugashik River boats on red salmon equal or be higher than the average catch of red salmon of the boats fishing at "Clark's Cannery," on Nushagak River, then all red salmon shall be paid for at the regular rate of 1½ cents per fish per man.

Gill-net fishermen wintering in Bristol Bay district shall not receive the above-mentioned wages of \$75 for the run, but shall receive the sum of \$37.50 in addition to the regular compensation for salmon caught and delivered as per above schedule and following conditions. The work of these men for these wages is to begin with the arrival of the first vessel at the station and to cease with the departure of the last vessel. Men to be paid off after last vessel is loaded. Men on regular annual or monthly pay not to be included.

The shall not be compelled to take any dog or pink salmon, but if received they are to be paid for at above rates.

The shall not be compelled to take any King Salmon when the cannery is running full or when the boats are placed on the limit.

Fishermen put to cleaning or repickling salmon after fishing season shall be paid extra compensation at the rate of \$3 per day per man. Money so earned to be divided equally among all the fishermen, beachmen, and trapmen attached to the cannery.

If gill-net men are to be transferred to fish at some other station such men are to be selected by lot. These men to work at the station they originally were assigned to until the beginning of the fishing season, and to be returned to that station at the end of the salmon run.

ALASKA PACKERS' ASSOCIATION OF SAN FRANCISCO, CAL.—BEACHMEN AND TRAPMEN IN BRISTOL BAY.

Nushagak canneries [PHJ] and [NC].

Beachmen.—Compensation: Each beachman shall receive in addition to the wages of \$125 for the run, one-ninth of 1 cent per case for all salmon canned at the [PHJ] and [NC] canneries of the association, and 1 cent per barrel for all salmon salted at the cannery to which he is attached, at Nushagak, Alaska, during the season of 1911.

All fishermen, trapmen, and beachmen wintering in Bristol Bay district shall not receive the above-mentioned wages of \$125 for the run, but shall receive the sum of \$37.50 in addition to the regular compensation for salmon canned and salted as per regular schedule and conditions. The work of these men for these wages is to begin with the arrival of the first vessel at the station and to cease with the departure of the last vessel. Men to be paid off after last vessel is loaded. Men on regular annual or monthly pay not to be included.

Nushagak canneries [PHJ] and [NC].

Trapmen.—Compensation: Each trapman shall receive in addition to the wages of \$125 for the run, one-ninth of 1 cent per case for all salmon canned at the [PHJ] and [NC] canneries of the association at Nushagak, Alaska, during the season of 1911.

Kvichak canneries [J] and [X].

Beachmen.—Compensation: Each beachman shall receive in addition to the wages of \$125 for the run, one-tenth of 1 cent per case for all salmon canned at the [J] and [X] canneries of the association, and 1 cent per barrel for all salmon salted at the cannery to which he is attached, at Kvichak, Alaska, during the season of 1911.

Trapmen.—Compensation: Each trapman shall receive in addition to the wages of \$125 for the run, one-tenth of 1 cent per case for all salmon canned at the [J] and [X] canneries of the association at Kvichak, Alaska, during the season of 1911.

Naknek canneries [M] [NN] and [O].

Beachmen.—Compensation: Each beachman shall receive in addition to the wages of \$125 for the run, one-twelfth of 1 cent per case for all salmon canned at the [M] [NN] and [O] canneries of the association, and 1 cent per barrel for all salmon salted at the cannery to which he is attached, at Naknek, Alaska, during the season of 1911.

Egegak cannery [E].

Beachmen.—Compensation: Each beachman shall receive in addition to the wages of \$125 for the run, one-half of 1 cent per case for all salmon canned, and 1 cent per barrel for all salmon salted at the [E] cannery of the association, at Egegak, Alaska, during the season of 1911.

Compensation and special conditions for the fishermen for the Alaska Packers' Association in central and southeastern Alaska as follows:

Karluk cannery [KS].

Fishermen.—Each party of the second part (except those who ship on other specified wages as noted on the articles), shall receive in addition to the wages of \$35 per month from date of arrival at Karluk until date of sailing from Karluk:

Two dollars per thousand cases for all salmon packed by the association at Karluk, Alaska, during the season of 1911, and \$1 per thousand cases for all salmon caught by the association at Karluk and shipped away.

Each complete fishing gang to consist of 15 men. If any gang is short of that number (except in case of sickness), the percentage which would have been earned by such absent men during such time shall be equally divided among all the balance of the men then working as fishermen.

Watchmen and donkeymen shall not be counted as part of the fishing gangs.

Any fisherman sent from the cannery after piles, or assigned to lightering material during 1911 from the Karluk canneries to the Larsens Bay cannery, shall receive extra compensation for such work at the rate of \$3 per day per man from the time of departure until return to the cannery or fishing beach. Extra money so earned to be equally divided between all the fishermen attached to the Karluk (Larsens Bay) cannery.

In addition to the above compensation, each fisherman selected for the crew of a vessel sailing to and from Karluk shall receive \$45 per month from time of departure from San Francisco until arrival at Karluk and from time of departure from Karluk until arrival at San Francisco.

Alitak cannery. [A]

Fishermen.—Compensation: Each party of the second part (except those who ship on other specified wages as noted on the articles) shall receive, in addition to the wages of \$35 per month from date of sailing from, until return to, San Francisco:

Two-thirds of 1 cent per case for all salmon packed at the [A] cannery of the association at Alitak, Alaska, during the season of 1911, and one-third of 1 cent per case for all salmon caught by the Alitak fishermen and shipped away.

Chignik cannery. [C]

Compensation: Each party of the second part (except those who ship on other specified wages as noted on the articles) shall receive, in addition to the wages of \$35 per month from date of sailing from, until return to, San Francisco:

One-half of 1 cent per case for all salmon packed at the [C] cannery of the association at Chignik, Alaska, during the season of 1911, and one-fourth of 1 cent per case for all salmon caught by the Chignik fishermen and shipped away.

The association may exchange or divide salmon, or may fish jointly with any outside-company at Chignik, and the men will do all such joint work for fishing, including

the handling of fishing gear when building traps, for either company when ordered by the superintendent.

Section 5 of the general articles of agreement shall apply in lieu of specified monthly wages of \$35 if and while vessel calls at intermediate port.

Cook Inlet cannery. [CI]

Compensation: Each party of the second part (except those who ship on other specified wages as noted on the articles) shall receive, in addition to the wages of \$50 for the run:

Four-fifths of 1 cent per case for all salmon canned, and 3 cents per barrel and 1½ cents per half-barrel for all salmon salted, at the [CI] cannery of the association at Cook Inlet, Alaska, during the season of 1911.

Fort Wrangell cannery. [FW]

Fishermen and beachmen signing in San Francisco.—Compensation: Each party of the second part (except those who ship on other specified wages as noted on the articles) shall receive, in addition to the wages of \$150 for the run, as follows:

Two-fifths of 1 cent per case for all salmon packed at the [FW] cannery of the association at Fort Wrangell, Alaska, during the season of 1911.

Any fishermen put to work cutting piles shall receive extra compensation for such work at the rate of 4 cents per running foot for all piles so delivered. Extra money so earned to be equally divided between all the fishermen and beachmen attached to the Fort Wrangell cannery.

Loring cannery. [L]

Compensation: Each party of the second part (except those who ship on other specified wages as noted on the articles) shall receive \$65 per month from date of sailing from, until return to, San Francisco.

In addition to the above wages, each of the six men selected for tarring web shall receive \$7.50.

NORTH ALASKA SALMON CO., OF SAN FRANCISCO, CAL.—BEACH AND TRAP MEN.

Kvichak and Lockanok canneries.

Each beachman and trapman shall receive, in addition to the wages of \$125 for the run, one-eighth of 1 cent per case for all salmon canned at the Kvichak and Lockanok canneries of the North Alaska Salmon Co. during the season of 1911.

Nushagak cannery.

Each beachman and trapman shall receive, in addition to the wages of \$125 for the run, one-half of 1 cent per case for all salmon canned at the North Alaska Salmon Co. cannery at Nushagak, Alaska, during the season of 1911.

Egegak cannery.

Each beachman and trapman shall receive, in addition to the wages of \$125 for the run, two-thirds of 1 cent per case for all salmon canned at the North Alaska Salmon Co. cannery at Egegak, Alaska, during the season of 1911.

RED SALMON CANNING CO., OF SAN FRANCISCO, CAL.

Cannery, Ugashik River, Alaska.

Each beachman and trapman shall receive, in addition to the wages of \$125 for the run, one-half of 1 cent per case for all salmon canned at the Red Salmon Canning Co. cannery at Ugashik, Alaska, during the season of 1911.

In addition to this each beachman shall receive 1 cent per barrel for all salmon salted at said cannery during the season of 1911.

NAKNEK PACKING CO., OF SAN FRANCISCO, CAL.

Cannery, Naknek River, Alaska.

Each beachman and trapman shall receive, in addition to the wages of \$125 for the run, one-quarter of 1 cent for all salmon canned at the Naknek Packing Co. cannery at Naknek, Alaska, during the season of 1911.

In addition to this each beachman shall receive 1 cent per barrel for all salmon salted at said Naknek Packing Co. cannery during the season of 1911.

ALASKA SALMON CO., OF SAN FRANCISCO, CAL.

Cannery, Wood River, Alaska.

Each beachman shall receive, in addition to the wages of \$75 for the run, the average catch of the boats fishing for the said Alaska Salmon Co. cannery at Wood River, Alaska, during the season of 1911.

BRISTOL BAY PACKING CO., OF SAN FRANCISCO, CAL.

Cannery, Koggiung, Alaska.

Each beachman and trapman shall receive, in addition to the wages of \$125 for the run, one-quarter of 1 cent per case for all salmon canned at the Bristol Bay Packing Co. cannery at Koggiung, Alaska, during the season of 1911.

In addition to this each beachman shall receive 1 cent per barrel for all salmon salted at said Bristol Bay Packing Co. cannery at Koggiung, Alaska, during the season of 1911.

LAGOON SALMON CO., OF SAN FRANCISCO, CAL.

Salting station, Nelson Lagoon, Bering Sea, Alaska.

Each fisherman shall receive, in addition to the wages of \$125 for the run, percentages as follows:

Five cents per barrel for all salmon packed in barrels at Nelson Lagoon salting station, Alaska, during the season of 1911; 200 pounds to the barrel or its equivalent.

Two and one-half cents per barrel for all salmon packed in barrels from last year's tanks, and for fish caught and packed to be left in tanks for the next season.

All moneys earned to be payable in San Francisco after the return of the expedition.

OLSON BROS., OF SAN FRANCISCO, CAL.

Salting station, Koggiung, Alaska.

Fishermen to receive the regular Bristol Bay run money and percentages.

ALASKA-PORTLAND PACKERS' ASSOCIATION, OF PORTLAND, OREG.

Cannery, Nushagak, Alaska.

Each beachman and trapman shall receive, in addition to the wages of \$125 for the run, one-third of 1 cent per case for all salmon canned at the Alaska-Portland Packers' Association cannery at Nushagak, Alaska, during the season of 1911.

In addition to the regular run money and percentages of the fishermen, beachmen, and trapmen at said cannery, each fisherman, beachman, and trapman shall receive \$50 as extra compensation for the work of rebuilding said association's cannery at Nushagak.

COLUMBIA RIVER PACKERS' ASSOCIATION, OF ASTORIA, OREG.

Cannery, Chignik, Alaska.

Each fisherman shall receive, in addition to the wages of \$35 per month from date of sailing from, until return to, Astoria, Oreg.:

One-half of 1 cent per case for all salmon canned at the Chignik cannery of said association during the season of 1911, and one-quarter of 1 cent per case for all salmon caught by said Chignik men and shipped away.

The association may exchange or divide salmon or may fish jointly with any outside company at Chignik, and the men will do all such joint work for fishing, including the handling of fishing gear when building traps, for either company when ordered by the superintendent.

Section 5 of the general articles shall apply in lieu of specified monthly wages of \$35 if and while vessel calls at intermediate port.

COLUMBIA RIVER PACKERS' ASSOCIATION, OF ASTORIA, OREG.

Cannery, Nushagak, Alaska.

Each beachman and trapman shall receive in addition to the wages of \$40 per month, from date of sailing from, until return to, Astoria, one-third of 1 cent per case for all salmon canned at the Columbia River Packers' Association cannery at Nushagak, Alaska, during the season of 1911.

ALASKA FISHERMEN'S PACKING COMPANY, OF ASTORIA, OREG.

Cannery, Nushagak, Alaska.

Each beachman and trap man shall receive in addition to the wages of \$40 per month, from date of sailing from, until return to, Astoria, Oreg., one-third of 1 cent per case for all salmon canned at the Alaska Fishermen's Packing Co.'s cannery at Nushagak, Alaska, during the season of 1911.

Cannery, Koggiung, Alaska.

Regular Bristol Bay rates.

Salting station, Egushik River, Alaska.

All gill-net fishermen shall receive the regular Bristol Bay run money and percentages.

NORTHWESTERN FISHERIES CO., OF SEATTLE, WASH.

Cannery, Nushagak, Alaska.

Each beachman shall receive in addition to the wages of \$125 for the run, one-half of 1 cent per case for all salmon canned at the said Northwestern Fisheries Co.'s cannery, Nushagak, Alaska, during the season of 1911, and 1 cent per barrel for all salmon salted at said cannery during the season of 1911.

Cannery, Uyak Bay, Alaska.

Each fisherman shall receive in addition to the wages of \$30 per month, from time of sailing from, until return to, Seattle:

One-half of 1 cent per case for all salmon canned at the Northwestern Fisheries Co.'s cannery at Uyak Bay, Alaska, during the season of 1911, and,

One-fourth of 1 cent per case for all salmon caught by said men at Uyak Bay and shipped elsewhere.

When men are sent for piling, they shall be paid extra compensation at the rate of \$3 per day per man, from time of departure until return to the cannery, money so earned to be equally divided among all the members of the Alaska Fishermen's Union attached to the cannery.

During the actual fishing season the fishermen shall not be called upon to perform any work on Sundays outside of mending their seines.

Cannery, Chignik, Alaska.

Each fisherman shall receive in addition to the wages of \$35 per month from date of sailing from, until return to, Seattle:

One-half of 1 cent per case for all salmon canned at the Northwestern Fisheries Co.'s cannery at Chignik, Alaska, during the season of 1911, and,

One-fourth of 1 cent per case for all salmon caught by said Chignik fishermen and shipped away.

The company may exchange or divide salmon, or may fish jointly with any outside company at Chignik, and the men will do all such joint work for fishing, including the handling of fishing gear when building traps, for either company, when ordered by the superintendent.

Cannery, Kenai, Cook Inlet, Alaska.

Each Fisherman shall receive in addition to the wages of \$50 for the run, 1 cent per case for all salmon canned at the Northwestern Fisheries Co.'s cannery at Kenai, Alaska, during the season of 1911. Salted salmon to be paid for at the same rate.

In addition to this, each fisherman shall receive an extra compensation of \$50 for building additions to the said cannery and warehouse.

Orca, Copper River, Alaska.

Each fisherman shall receive in addition to the wages of \$15 per month, from date of arrival until date of departure from the Orca cannery:

Seven dollars for each 1,000 good white or humpback salmon caught with a seine and delivered to the company, and

Four cents for each and every good red salmon caught and delivered to the company, and,

Ten cents for each and every good king salmon caught and delivered to the company, and,

Five cents for each and every good silver or coho salmon caught and delivered to the company.

It is understood that the several sums per thousand fish, and per fish, as above specified, shall be deemed to have been earned by the seine gang, or by the boat's crew, as the case may be, that shall have been caught and delivered, and that each of said seine gang or boat's crew shall be credited with, and shall be paid his proper pro rata portion thereof; and,

Be it further understood that when the big scow leaves for Chenega every fisherman to be in the combination.

It is agreed that each and every gill-net boat fishing for the Orca Cannery be supplied with a gill net not less than 350 fathoms hung on the lines. (This applies to Copper River flats only.)

Part of section 12, of the general articles, to read as follows: Last year's men to retain their last year's boats, if they so desire. New men to draw lots for boats. Last year's boat pullers, if captains of boats this year, to be considered as new men.

Part of section 20, of the general articles of agreements, to read as follows: It is expressly understood and agreed that, should any man be discharged, or by mutual agreement quit work before the vessel or men are ready to leave the cannery for home port, such man shall forfeit one-half of his monthly earnings, with the understanding, however, that all money due such man as percentages for fish shall be paid him in full.

Money so deducted to be equally divided among the men remaining at the cannery until the vessel's departure for home port, except other men be hired by the superintendent in place of men so quitting.

The general articles of agreement and the different schedules of wages and percentages as are herein stated for the various parts of Alaska, have been agreed upon between the various Alaska salmon packers and the Alaska Fishermen's Union for the years 1911, 1912, and 1913, with this understanding, however, that where the pay of the men is based on percentages per case, these percentages will be subject to change in accordance with changes of outfits that might be arranged by the various packers during the years 1912 and 1913.

Where the percentages of the men are based on so much per case, a number of cases outfitted for have been stated to guide the percentages for the years 1912 and 1913.

Respectfully submitted.

I. N. HYLEN,
Secretary Alaska Fishermen's Union.

Headquarters 93 Steuart Street, San Francisco, Cal. Pacific phone, Kearney 3600. Home phone, J2918.

(Exhibit introduced by Mr. Wickersham, referred to on page 346.)

SAN FRANCISCO, April 15, 1911.

It is hereby stipulated that a roustabout (a man of all work) in whatever line of work that has to be done in the Wrangell, Alaska, cannery must comply with the orders of the American and the Chinese foremen. He must willingly go to work whether work starts early or late. He must not refuse or oppose, in any manner whatsoever, any kind of work assigned to him. It is understood and agreed that he shall work on Sundays and all holidays. The work must be completed before he or any one of them can leave. An excuse can not be made because those assigned to another line of work should quit earlier or later. Should any one be cantakerous and quit work contrary to this stipulation, a deduction of 50 cents is to be made for each hour until he returns to work. Food is to be provided for in sufficient quantities by the foreman. The bill of fare is to be Chinese. No unreasonable demand for food is to be made. There shall be no discussion, whatever, should there be only two meals per day: 9 a. m. and 4 p. m. Each person is to be paid \$40 wages in advance, which amount is to be handed over in full upon the laborers going aboard. The balance dollars, is to be paid as per account five days after the return of the laborers to the city. Gambling is to be strictly prohibited.

No one shall be permitted to carry firearms or liquor of any kind along; those guilty shall be fined according to the rule of American company; \$50 shall be fined for fightings.

All unforeseen cases of fatality shall be adjusted according to the rules of the American company pertaining to such cases.

The wages are to be \$165 per man, for the season of 1911.

All money due to the foreman, and money advanced for poll tax, shall be deducted from wages, and after all deductions balance of wages will be paid in full.

In case the cannery is destroyed by fire from any cause, and also in case ordered to work in other cannery by the foreman, no increase or pay shall be demanded, but the order of the American foreman shall be obeyed.

This instrument is drawn up to be proof, and no departure from these stipulations is to be allowed.

CHEW MOCK.

ZACHARIAS FERNANDES.

Mr. WICKERSHAM. I have a letter from Father Corser which I will exhibit to you gentlemen. I do not know that I will put it into the record.

The CHAIRMAN. What is it in regard to?

Mr. WICKERSHAM. It is in regard to this particular man mentioned in this contract.

The CHAIRMAN. I do not see how it would be of any value in the record. The method the packers use in securing their labor we have had shown very clearly. It would simply be repeating what has been already stated in the record and that is that the contract was made with some man by the contractor who contracts with the packers to furnish the labor. We have no concern with what that contractor pays the laborer.

Mr. DORR. I want now, if I may, to discuss for a moment the Alaska fund, so-called, as amended by the act of May 14, 1906. That is the last act which was passed on the subject.

The original act was passed January 27, 1905, and the amendment did not change the disposition of the fund; but it added some provisions for the collection of the licenses and so forth. It is shown by the existing Federal statute that one-quarter of the funds collected from these various occupations, outside of the incorporated municipalities, is devoted to school purposes; five per cent of the collection is devoted to the care of the insane—that is 25 per cent, or so much as may be needed, and 5 per cent or so much as may be needed, but I will assume that it takes the whole, and the remainder, the residue of 70 per cent, is devoted to the building of roads in Alaska.

I stated, I think, at the last hearing a geographical fact, which is well known, that Alaska contains about 580,000 square miles.

Mr. WICKERSHAM. It is 590,000.

Mr. DORR. Well, 590,000; Judge Wickersham says. We might call it 600,000 for good measure. I presume that is as near as the other figure.

It is proposed by existing law to build roads in 590,000 or 600,000 square miles of territory, a great deal of it rough and rugged, mountainous, and glacial, from these general license funds. That is absolutely absurd and ridiculous on the face of it for several reasons.

In the first place the fund that is collected from these licenses in the municipalities is returned to them for their use, so that the only portion of this fund that we have left for roads, etc., comes from the trades and occupations carried on outside of the municipalities, and it is absolutely and seriously proposed by this act of Congress that this fund should serve as a road fund for that enormous territory. Of course Congress has from time to time appropriated extra moneys for the roads.

Mr. WICKERSHAM. Do you know how much altogether?

Mr. DORR. I do not know how much altogether; but not half enough or a quarter enough.

But the point that I want to make now is that because this fund is supposed to be a revolving fund, to be used in the road building in Alaska without special appropriation from Congress, it simply aggravates in the minds of everybody up there this question of taxes. It is a wrong principle. If that fund were not devoted for these purposes, all of which are lawful and worthy—I have no objection to any of them, not the least in the world—there would not be any demand to increase the licenses. In fact, my great objection is that these worthy objects have not been properly cared for by Congress, and it is left to the Alaska people, to agitate increases in taxation upon industries in order to replenish the road fund.

The CHAIRMAN. You think the fact that the fund is devoted to a certain purpose and is so much less than the purpose requires that that makes the people think the tax ought to be increased.

Mr. DORR. That creates the agitation to increase these taxes. There is no doubt about it; it is just as natural as anything could be.

Take the State of Washington, where the chairman of this committee lives. We are doing more or less road building there. Suppose we called on a few industries to contribute the funds to build those roads, what a clamor there would be in that State to increase the taxes on those industries.

The CHAIRMAN. By everybody who did not belong to them.

Mr. DORR. Yes; by everybody who did not belong to them. These fisheries do not use these roads, as a matter of fact, at all, and they are undoubtedly the largest taxpayers in the district outside of the municipalities.

Consequently, every prospector, every man who wants a new mile of road built, looks to this fund, and he naturally goes further than that and looks to the fisheries to contribute more taxes to build these roads. Now, if all of the profits that all of these companies could possibly make in Alaska were devoted to the building of the roads, it would still be entirely inadequate to build a system of roads in Alaska that would be substantially what the people of the district are entitled to.

The CHAIRMAN. I think I may safely say this, Mr. Dorr: That phase of the question will be considered in fixing the tax in this bill. The only consideration will be to have these people pay just what they justly should pay, regardless of to what purpose it is devoted or how far it goes toward accomplishing that purpose.

Mr. DORR. I am conscious of the fact that this Senate committee is not going to be influenced by that consideration. I did not speak of it for that purpose nor for the purpose of counteracting that influence, but for the purpose of illustrating what I believe to be the cause of the agitation in Alaska for this increase of taxation.

The following is a copy of the so-called road-fund law:

Act of May 14, 1906 (ch. 2458, 34 Stat. L., 192), amending the act of January 27, 1905.

SECTION 1. That all moneys derived from and collected for liquor licenses, occupation or trade licenses outside of the incorporated towns in the district of Alaska shall be deposited in the Treasury Department of the United States, there to remain as a separate and distinct fund, to be known as the "Alaska fund," and to be wholly devoted to the purposes hereinafter stated in the district of Alaska. One-fourth of

said fund, or so much thereof as may be necessary, shall be devoted to the establishment and maintenance of public schools in said district; five per centum of said fund shall be devoted to the care and maintenance of insane persons in said district, or so much of said five per centum as may be needed; and all the residue of said fund shall be devoted to the construction and maintenance of wagon roads, bridges, and trails in said district: *And provided further*, That the clerk of the court of each judicial division of said district is authorized, and he is hereby directed, whenever considered necessary, to call upon the United States marshal of said judicial division to aid in the collection of said license moneys by designating regular or special deputies of his office to act as temporary license inspectors, and it shall be the duty of said United States marshal to render such aid; and the said regular or special deputies, while actually engaged in the performance of this duty, shall receive the same fees and allowances and be paid in the same manner as when performing their regular duties.

Mr. WICKERSHAM. May I ask you a question or two? I have here, Mr. Dorr, a certified copy of the amount of the taxes paid by the Alaska Packers' Association for 1907, over and above their rebate. It amounts to 32 cents on the salmon.

Mr. DORR. That was in the Valdez district?

Mr. WICKERSHAM. Yes; it was in the Valdez district on the salmon pack for that year.

Mr. DORR. That does not include the other district, Judge.

Mr. WICKERSHAM. No; but that includes the Bristol Bay district and it includes everything to the westward, and it shows you put up 806,808 cases and you only actually paid the Government of the United States 32 cents for that year.

Mr. DORR. I think that in all human probability they had some certificates left after that.

Mr. BROWNE. In 1909 we paid \$23,956 in hatchery certificates and \$19,861.82 in cash.

Mr. WICKERSHAM. Yes; you may have paid that much in 1909 in Southern Alaska; but I am calling attention to the great Bristol Bay district where you take out 800,000 cases.

Mr. DORR. That, Judge, involves the question of this rebate.

Mr. MOSER. We never took 800,000 cases out of the Bristol Bay district.

Mr. DORR. I am perfectly willing to take that matter up if you prefer, but I was going to speak of that later. The 32 cents was only change, as I understand it. The hatchery certificates did not come out even.

Mr. WICKERSHAM. You did not help to build many roads that year in Alaska.

Mr. DORR. No; but they hatched a good many fish.

Mr. WEBB. That is only one organization.

Mr. WICKERSHAM. Yes; that is the Alaska Packers' Association.

Mr. WEBB. The companies I represent up there pay their taxes every year.

Mr. WICKERSHAM. That is, the small companies.

Mr. WEBB. The Northwestern Co.

Mr. WICKERSHAM. That money, you understand, goes into the Alaska fund and 70 per cent of it is used for building roads in Alaska.

Mr. WEBB. Yes.

Mr. WICKERSHAM. Do you know where it is used?

Mr. WEBB. I know the president of the road commission, Col. Richardson—

Mr. WICKERSHAM. It is used very largely in the interior; very largely around Fairbanks, between there and the coast.

Mr. WEBB. The details I would not know anything at all about. I think they built roads at Idatarod.

Mr. MOSER. May I say in this connection that last Saturday I took some figures to prepare the report that you asked for, Mr. Chairman, and I found that the amount of tax from the date on which the tax was originally levied in 1898, to 1906, the average amount of tax we paid was \$40,000 a year.

The CHAIRMAN. In all of Alaska?

Mr. MOSER. No, the Alaska Packers' Association.

The CHAIRMAN. That is on your pack in all of Alaska?

Mr. MOSER. In all of Alaska. I also found that that same average held good since that time; that \$40,000 a year was a good average, within \$100 or \$200, from 1906 to the present date.

Mr. WICKERSHAM. You paid that to the clerks of the court?

Mr. MOSER. No; that was the tax that was due on our salmon industry in Alaska.

The CHAIRMAN. From which was deducted the rebate.

Mr. MOSER. The rebate amounted to an average of \$33,000 a year and our average payment was \$7,000 a year. That is a good average throughout.

Mr. WICKERSHAM. And you packed on an average of about how many dollars in value of salmon.

Mr. MOSER. Well, on a general average about a million cases.

Mr. WICKERSHAM. On a general average about \$4 a case or \$5?

Mr. MOSER. The raw fish, as I said before——

Mr. WICKERSHAM. I am not talking about the raw fish.

Mr. MOSER (continuing). Amounts in value to no more than a million and a quarter dollars in any one year in all Alaska.

The CHAIRMAN. Well, I think we have all those facts in the record, so we have the basis for any argument that may be deduced from that.

Mr. DORR. I would like to introduce this report, except the statistical part at the end, which I do not think need be reprinted, as it consists of catch statistics and so forth.

The CHAIRMAN. All right; we will put in everything, except the statistical matter.

Mr. WICKERSHAM. Whom did you say made that report?

Mr. DORR. The House Committee on Territories.

Mr. WICKERSHAM. What year was that?

Mr. DORR. 1906.

Mr. BROWNE. It is the report on the act of six years ago.

Mr. DORR. It is the report on the bill that became the present law.

The CHAIRMAN. Who presented that report?

Mr. DORR. Mr. Capron, for the Committee on Territories.

The report is as follows:

[House Report No. 2657, Fifty-ninth Congress, first session.]

The Committee on Territories, to whom was referred the bill (H. R. 13543) entitled "A bill for the protection and regulation of the fisheries of Alaska," having duly considered the same hereby recommend that all of said bill after the enacting clause be stricken out and in lieu thereof there be inserted the substitute bill presented herewith, and as thus amended it is recommended that said bill do pass.

The bill as thus amended is the result of extended hearings had before this committee, at which there were present, besides the author of the bill, representatives of the Department of Commerce and Labor and of the Bureau of Fisheries of the United

States. That department and bureau are charged with the enforcement of the laws pertaining to the fisheries of Alaska and with the duty of protecting and preserving those fisheries, including the important element of fish culture by artificial propagation.

There were also present at said hearings a number of representatives of the Alaska salmon packers, and it is gratifying to report that all interests are now fully agreed upon the fairness and efficiency of the proposed bill as an adequate measure for the regulation and protection of the great fisheries of Alaska, and that this committee is also in full accord with such views.

The Secretary of Commerce and Labor has officially indorsed the substitute bill herewith reported by the following letter:

DEPARTMENT OF COMMERCE AND LABOR,
OFFICE OF THE SECRETARY,
Washington, March 15, 1906.

SIR: In accordance with the suggestion of the Committee on Territories, officers of the Department of Commerce and Labor, in conjunction with the representatives of Alaskan salmon packers who appeared before your committee, have carefully considered the bill (H. R. 13543) "for the protection and regulation of the fisheries of Alaska," introduced by Hon. F. W. Cushman, and which is now pending before your committee.

As a result of this conference and consideration, I am transmitting to you herewith a redraft of the bill in question. It is the opinion of the Department that the redraft of the bill now submitted will provide as complete and satisfactory protection and regulation for the Alaskan salmon fisheries as present conditions make possible.

This whole matter has received the exhaustive consideration of the department for several months past, and the provisions of the bill now submitted have been carefully considered in detail. For the reasons above stated, I have the honor to urgently recommend that the bill receive the favorable consideration of the committee.

Respectfully,

V. H. METCALF, *Secretary.*

HON. EDWARD I. HAMILTON.
Chairman Committee on Territories, House of Representatives.

Commercial fishing is one of the large and important industries of the Pacific coast, and especially of Alaska, where salmon, cod, halibut, herring, and other food fishes are found in great abundance.

With her 25,000 or more miles of coast line, Alaska affords an immense field for the fisherman. It is, however, essential that her fisheries be so regulated and conserved that they may be saved from depletion and at the same time that those lawfully engaged in pursuit of this important industry may not be unreasonably hampered and restricted in their operations, and it is believed that the accompanying bill, if enacted into law, will accomplish these desirable ends.

The business of canning salmon in Alaska was begun in a small way about the year 1878 and has steadily grown to large proportions.

There are at present some 25 different companies engaged in canning salmon in Alaska, operating about 50 canneries. These canneries are well scattered along the coast from Bristol Bay, in Bering Sea, on the north, to Dixons Entrance, the southern boundary of the Territory on the south. The annual output in cases (each case contains 48 cans, each can containing 1 pound of fish, or the equivalent in other sizes) from the inception of the industry to the present time is given as follows:

Year.	Cases packed.	Year.	Cases packed.
1878.....	8, 159	1892.....	461, 482
1879.....	12, 530	1893.....	645, 545
1880.....	6, 539	1894.....	678, 501
1881.....	8, 977	1895.....	619, 379
1882.....	10, 244	1896.....	958, 700
1883.....	36, 000	1897.....	969, 950
1884.....	54, 000	1898.....	956, 979
1885.....	74, 850	1899.....	1, 098, 833
1886.....	120, 700	1900.....	1, 534, 745
1887.....	190, 200	1901.....	2, 034, 895
1888.....	427, 372	1902.....	2, 554, 423
1889.....	709, 347	1903.....	2, 251, 085
1890.....	688, 332	1904.....	1, 953, 746
1891.....	789, 294	1905.....	1, 885, 316

Fluctuations in the packs of recent years are largely due to market and trade conditions rather than to important variations in the runs of the fish.

Salmon is also prepared by salting in considerable quantities, and other varieties of fish are being extensively caught, but canned salmon constitutes by far the greatest output from the Alaskan fisheries. Canned salmon is sold all over the civilized world as a low-priced article of wholesome and nutritious food. It is used extensively in the Army and Navy of the United States as a food ration.

The prevailing prices of Alaska canned salmon over the counter are said to be from 10 cents to 15 cents per can, containing 1 pound of fish. The wholesale prices at Pacific coast rail shipping points vary from about \$2.50 to \$4 per case, according to variety.

Alaska salmon includes five important varieties, which may be classified as follows:

Variety.	Order of importance.	
	Quality.	Quantity.
Alaska Red.....	First.....	First.
King or Tyee.....	do.....	Fifth.
Silver or Coho.....	Second.....	Fourth.
Pink or Humpback.....	Third.....	Second.
Dog or Chum.....	Fourth.....	Third.

The Alaska salmon industry employs each season approximately 12,000 people, including about 2,000 Alaskan natives who are given work at the stations; 120 steamers and launches and 50 sailing vessels; and annually disburses in wages \$2,500,000 or thereabouts. It is estimated that the cash capital employed in the business is about \$15,000,000.

The bill herewith reported is designed to reenact and harmonize many provisions of existing laws relating to Alaskan fisheries; to enlarge and extend the scope of restrictive features on fishing, and to include such further provisions for protection and regulation as are deemed essential to preserve and perpetuate the fisheries and to increase the natural supply by artificial propagation, which can be successfully carried on in those waters both by public and private enterprise.

The following is a brief statement in parallel form of the existing laws and the changes proposed by this bill, with some specific reasons therefor, so arranged for convenience for reference:

PRESENT LAW.

PROPOSED LAW.

[H. R. 13543, as amended and reported herewith.]

TAXATION.

Alaska Criminal Code, act March 3, 1899 (30 Stats., p. 1336):

Section 460 provides for taxing Alaskan fisheries as follows:

“Fisheries: Salmon canneries, four cents per case; salmon salteries, ten cents per barrel; fish-oil works, ten cents per barrel; fertilizer works, twenty cents per ton.”

Section 1 of the bill reenacts the same schedule and rate of taxes, with the addition of imposing 5 cents per 100 pounds on salt salmon *in bulk*, which is not clearly covered under existing law. The rate imposed on this product is relatively the same as the tax on salt salmon in barrels.

NOTE.—It is believed that this is the only instance where the Federal Government imposes taxes on any fisheries within its jurisdiction.

It is asserted by the packers, and credited by the committee as a fact, that under present existing conditions as to cost of manufacture and market prices of the finished commodity this tax on canned salmon amounts to from 10 mills to 16 mills on the the dollar of the wholesale prices of the finished product at Pacific coast railroad terminals—i. e., Puget Sound, Astoria, Portland, San Francisco, etc.—after being transported from Alaska, and from 4 to 10 per cent of the value of the raw product at the canneries in Alaska, the variations in the rate depending upon the varieties of fish.

PRESENT LAW.

PROPOSED LAW.

DISPOSITION OF TAXES AND EXEMPTIONS.

Act of January 27, 1905 (33 Stats., pt. 1, p. 616, sec. 1), provides:

"That all moneys derived from and collected for liquor licenses, occupation or trade licenses outside of the incorporated towns in the district of Alaska, shall be deposited in the Treasury Department of the United States, there to remain as a separate and distinct fund, to be known as the 'Alaska fund,' and to be wholly devoted to the purposes hereinafter stated in the district of Alaska. One-fourth of said fund, or so much thereof as may be necessary, shall be devoted to the establishment and maintenance of public schools in said district; five per centum of said fund shall be devoted to the care and maintenance of insane persons in said district, or so much of said five per centum as may be needed; and all the residue of said fund shall be devoted to the construction and maintenance of wagon roads, bridges, and trails in said district."

Section 3 provides: "That the money derived from the license taxes, as provided for in section one of this act, shall be paid into the United States Treasury and shall constitute a permanent appropriation, to be known as the 'Alaskan fisheries fund,' to be used under the direction of the Secretary of Commerce and Labor for the purpose of propagation and fish culture and the construction and maintenance of fish hatcheries in the waters of Alaska; for the protection, regulation, investigation, and inspection of the Alaskan fisheries and hatcheries; for the collection and compilation of statistics and information pertaining thereto, and for the enforcement of the law and the regulations made thereunder with reference to the subject of fisheries in the waters of Alaska."

It is proposed by the bill to apply the revenues derived from these fisheries wholly to their benefit by the proper and efficient administration of the law and the regulations of the department to be made thereunder by protecting the fisheries from depletion, and by increasing their productiveness by means of artificial propagation, to be undertaken by the Government and by such private parties in interest as may be induced to engage in this important work.

Section 2 exempts from taxation canned salmon, packed by those who operate private salmon hatcheries in Alaska, in the ratio of 10 cases for each 1,000 young fish liberated by them.

This is equal to a rebate of 40 cents per 1,000 for the salmon fry hatched and liberated, and is estimated by the Government fish culturists to be less than actual cost of production.

The section also contains adequate provisions for the inspection and regulation of the hatcheries by the Department of Commerce and Labor. These exemptions are considered eminently just to those who engage in artificial propagation for the purpose of replenishing the waters.

This plan is directly in line with the following very pertinent statement and recommendation of the Secretary of Commerce and Labor, contained in his annual report for 1905 (pp. 38-39):

"Under the act of March 3, 1899, a tax of 4 cents per case is levied and collected on canned salmon and a tax of 10 cents per barrel on salted salmon. The total revenue (not including that of the current year) has been \$429,781.52, while the expense to the Government during the same period for enforcement of the law

PRESENT LAW.**PROPOSED LAW.**

for the protection of these fisheries has not exceeded \$35,000. Whatever the Government may do in the line of artificial propagation, it is desirable that persons engaged in the business of salmon packing in Alaska be encouraged to build and maintain hatcheries. To accomplish this it is probable that a rate from this tax, based upon a proper ratio of the annual pack to the fry liberated by persons maintaining hatcheries, would afford the most satisfactory method of dealing with the question. Such private hatcheries should be under the supervision of this department, which would have power to make all necessary rules for their conduct."

Reference is also made to the recommendations of the special agent of salmon fisheries of Alaska in his report to the Secretary of Commerce and Labor for the year 1905 (p. 32).

"1. That the departmental regulation requiring the maintenance of salmon hatcheries by all persons engaged in salmon canning or salting be rescinded, for the reason that it can not and should not invariably be enforced.

"2. That such canners and salters as voluntarily maintain hatcheries should be encouraged to do so by being given privileges that will insure them commensurate benefits for their enterprise.

"3. That artificial propagation of salmon be prosecuted on a liberal scale by the Government, and that at least four hatchery plants be installed and operated at suitable places in the district."

With respect to the departmental regulation requiring the maintenance of salmon hatcheries by private parties referred to in recommendation No. 1, above quoted, it should be remarked that such regulation was promulgated on May 2, 1900, and contains the following:

(Department Circular No. 57—Division of Special Agents—Treasury Department.)

"Each person, company, or corporation taking salmon in Alaskan waters shall establish and conduct, at or near the fisheries operated by him or them, a suitable artificial propagating plant or hatchery; and shall produce yearly and place in the natural spawning waters of each fishery so operated red salmon fry in such numbers as shall be equal to at least four times the number of the mature fish taken from the said fisheries, by or for him or them, during the preceding fishing season."

This regulation was modified on January 24, 1902 (Department Circular No. 8, Division of Special Agents, Treasury De-

PRESENT LAW.

PROPOSED LAW.

partment), by increasing the ratio of red salmon fry required to be planted from four to ten times the number of salmon of all varieties taken.

“Each person, company, or corporation taking salmon in Alaskan waters shall establish and conduct, at or near the fisheries operated by him or them, a suitable artificial propagating plant or hatchery; and shall produce yearly and place in the natural spawning waters of each fishery so operated red salmon fry in such numbers as shall be equal to at least ten times the number of salmon of all varieties taken from the said fisheries, by or for him or them, during the preceding fishing season.”

Notwithstanding this regulation has been found to be impossible and impracticable of literal compliance or enforcement, a number of private hatcheries have been built and are being maintained at large cost by parties engaged in salmon fishing in Alaska, and to the material benefit of the fish supply in those waters. One company alone has expended over \$250,000 in the construction and operation of two first-class salmon hatcheries. Hitherto there has been no provision of law for rewarding private enterprise in any degree for producing salmon.

Section 2 of this bill in a measure corrects an unjust and inequitable condition in that regard.

There are at least four efficient private salmon hatcheries now in operation in Alaska, located and owned as follows:

Location.	Owner.
Karluk.....	Alaska Packers' Association.
McHenry Inlet....	John C. Callbreath.
Klawack.....	North Pacific Trading & Packing Co.
Loring.....	Alaska Packers' Association.

Several other hatcheries were built, but so far as can be learned are not at present in operation.

The first Government hatchery in Alaska was established in 1905 at Yes Bay.

RESTRICTIONS OF FISHING.

Alaska Criminal Code, March 3, 1899 (30 Stats., pp. 1280-1281):

Sections 179 and 180 provide for certain restrictions upon fishing in streams, creeks, rivers, and channels.

Section 180 also establishes weekly close seasons in all of the waters of Alaska except Cook Inlet, Prince William Sound,

Sections 4, 5, and 6 of the bill harmonize several inconsistencies in the present law and impose further restrictions upon fishing, especially about the mouths of streams. They regulate the distances between all fixed appliances, and add to existing law the important provision requiring that trap nets be raised during

PRESENT LAW.

Bering Sea, and the waters tributary thereto, from midnight on Friday of each week until 6 o'clock antemeridian of the Sunday following, and also nightly close seasons in all streams of less than 100 yards in width.

PROPOSED LAW.

close seasons, in order that the fish may not be impeded in their ascent to their spawning grounds—the very object of the close season.

Section 6 changes the weekly close season so as to commence at 6 o'clock on Saturday evening and extend to 6 o'clock on Monday morning, thereby increasing the weekly close periods from thirty to thirty-six hours, and covering Sunday instead of Saturday of each week. Prince William Sound, except the delta of Copper River, is also withdrawn from the excepted waters. The nightly close season for small streams is unchanged.

POWER OF THE DEPARTMENT TO CLOSE STREAMS.

Alaska Criminal Code, act March 3, 1899 (30 Stats., p. 1281):

Section 181: Under this section the Secretary of Commerce and Labor may at his discretion set aside any stream as a spawning ground, and prohibit all fishing therein. He may also establish close seasons, or prohibit fishing entirely in any stream, for one year or more, to allow salmon to increase.

Section 7 enlarges the jurisdiction of the Secretary to include lakes with streams as spawning reserves and to prevent fishing off the mouths of streams, as well as in the streams proper.

The Secretary is also given greater latitude in the exercise of his discretion in limiting, as well as prohibiting fishing wherever necessary to permit the salmon to increase.

AUTHORITY TO MAKE RULES AND REGULATIONS.

Alaska Criminal Code, March 3, 1899 (30 Stats., p. 1280), as modified by act of February 14, 1903 (32 Stats., p. 825, sec. 7):

"SEC. 179. The Secretary of Commerce and Labor is hereby authorized and directed * * * to establish and enforce such regulations and surveillance as may be necessary to insure that this prohibition (dams, barricades, etc.) and all other provisions of law relating to the salmon fisheries of Alaska are strictly complied with."

Section 12 subjects the entire fisheries of Alaska to the jurisdiction of this act and authorizes the Secretary of Commerce and Labor to make and establish such rules and regulations, not inconsistent with law, as may be necessary to carry the provisions of the act into full effect.

GOVERNMENT AGENTS AND INSPECTORS.

Sundry civil appropriation act of June 4, 1897 (30 Stats., p. 29), authorizes appointment by the President of an agent and assistant agent of salmon fisheries of Alaska.

Alaska Criminal Code, act March 3, 1899 (30 Stats., p. 1281):

Section 182 provides for the appointment by the Secretary of Commerce and Labor of one inspector and two assistant inspectors to enforce the provisions of law, and fixes their compensation.

Section 13 authorizes the Secretary to depute, in addition to the agent and assistant agent, from the officers and employees of the Department an adequate force for the proper investigation, inspection, and regulation of all Alaskan fisheries and hatcheries, and for the enforcement of the provisions of this act.

PENAL PROVISIONS.

Alaska Criminal Code, act of March 3, 1899 (30 Stats., p. 1281):

Section 183 imposes maximum penalties by way of fines of \$1,000 or impris-

Section 14 reenacts the same penalties and makes them applicable also to the violation of any regulation established under and in accordance with the act.

PRESENT LAW.

onment not exceeding ninety days, or by both fine and imprisonment, at the discretion of the court, for the violation of any provision of the act, and by a further fine of \$250 per day for continuing the offense of barricading and obstructing streams contrary to the law.

PROPOSED LAW.

Section 15 confers concurrent original jurisdiction in the United States districts courts of Alaska, California, Oregon, and Washington, in any of which courts offenders may be tried.

It should, however, be stated in full justice to those engaged in the industry that, according to the reports of the Government agent for the several years last past, the fishing laws have been well respected and closely obeyed.

NEW SUBJECTS.

Section 8 prohibits the canning or salting of stale fish.

Section 9 prohibits wanton waste of any food fishes.

Section 10 prohibits misbranding of the finished product.

Section 11 requires annual verified reports to be filed with the Department of Commerce and Labor covering all operations in fishing, utilizing fishing products, and in artificial propagation.

Section 16 repeals all inconsistent acts or parts of acts.

Mr. DÖRR. This report was made on the bill, which, as I stated, was introduced by the late Congressman Cushman, at the request of the Bureau of Fisheries, and after being modified became the present law.

Mr. WICKERSHAM. That act of 1906 was the Bureau of Fisheries act.

Mr. DÖRR. That was the Bureau of Fisheries act originally. Of course, before it became a law it was modified in a great many particulars.

Mr. WICKERSHAM. Do you know whether the Bureau of Fisheries suggested the rebate part of it or not?

Mr. DÖRR. I have just read from the report the recommendation of the Secretary of Commerce and Labor contained in his report for 1905—the year before the bill was passed.

Mr. BROWNE. That is from his annual report?

Mr. DÖRR. That is from his annual report. I can refer you further——

The CHAIRMAN. I do not think we need go very much into the origin of the matter.

Mr. DÖRR (continuing). To the report of the Salmon Commission of 1903, if you wish, in which the same recommendation occurs. I think I should put that into the record as a matter of evidence in support of my argument.

On page 26 of the Alaska Salmon Commission report, House Document No. 477, Fifty-eighth Congress, second session, accompanying the message of President transmitting the report to Congress it is said:

It is further suggested that those packers, corporations, firms, or individuals maintaining hatcheries of their own and placing in the rivers 10 red-salmon fry for each individual salmon taken, be relieved from this tax. This figure is wholly arbitrary. Thirty to 1 or even 100 to 1 may be nearer the proportions. Perhaps the number should be reduced one-half for the lower grades packed.

That is from the report of Dr. David Starr Jordan and Dr. Evermann, submitted in 1904, based on their investigations in 1903.

Mr. WICKERSHAM. That is what you might call a preferential reduction of the tariff.

Mr. DORR. I do not know anything about this tariff question in connection with these matters, excepting as it applies to tin plate.

Mr. WICKERSHAM. Well, I believe in that principle, only I want it applied to the people of Alaska, and that is the amendment I propose to offer.

Mr. BOWER. Many smaller companies did not obey the old law requiring the return of red-salmon fry to the waters of Alaska, and as I understand the situation, the rebate was originated very largely for the purpose of dealing justly by all concerned. A number of the companies obeyed the law and made good returns of fry to the waters of Alaska.

The CHAIRMAN. You put the rebate in to induce the return of the fry and also to give those who did it the benefit?

Mr. BOWER. Yes, sir.

Mr. DORR. It merely amounts to the Government paying for the performance of a public service in that indirect way, a function of the Government which the Government ought to perform, and as I said earlier in these hearings in connection with Gov. Clark's statement I believe that it would be the best policy for the Government to do this work itself. I am convinced of that. It would certainly avoid the criticism and would put all the canners on an absolute equality. I am strongly in favor of the Government maintaining and operating its own hatcheries, but the difficulty is to persuade Congress to appropriate the money to do it.

Mr. WICKERSHAM. Mr. Dorr, so that there may be no question about it, I want to say that I distinctly agree with you as to that.

Mr. DORR. I said so earlier in the hearings. It is my honest belief, and I adhere to it; but until Congress will aid the Bureau of Fisheries in establishing these hatcheries I think these private hatcheries should be let alone.

The CHAIRMAN. What would you be willing to do in the way of an increase of taxes, provided the tax were set aside as a fund for maintaining and operating hatcheries in Alaska?

Mr. DORR. Why, just exactly as we do on Puget Sound, Mr Chairman. There we pay all of the expense, absolutely all of it; and there is some years a small surplus that goes back to the general fund. It is not a large amount; say, from \$10,000 to \$15,000.

The CHAIRMAN. I understood you to say that the salmon cannery companies of Alaska would be willing to pay—

Mr. DORR. Any reasonable amount—

The CHAIRMAN (continuing). Up to, say, \$250,000 a year for maintaining and operating hatcheries.

Mr. DORR. I think they would be willing to pay \$150,000.

The CHAIRMAN. In Alaska?

Mr. DORR. I think they would, if they could be assured that the money would all be used for that purpose.

The CHAIRMAN. That is what I mean. That is, you would be willing to put the rate of taxation at such an amount as would produce that much money, and I suppose from your suggestion here, you would want, if there was a surplus any year, that it should be credited on the succeeding year, or returned.

Mr. DORR. I think they would be willing to pay any reasonable tax, if they could be assured that it would be devoted to that purpose.

Mr. WICKERSHAM. But, you would object to paying any tax if it were to go into the general fund for the Territory of Alaska.

Mr. DORR. No; I do not object to that, Judge. I am willing to pay any reasonable tax on property, and, as I understand it, if the territorial bill becomes a law—it has already passed the House, and, in my opinion, it is only a question of time when either that or some other bill will become a law—the Territory will organize, and, naturally among the very first things it will do, will be to pass a general tax bill, under which all of these canneries will come in for taxation, the same as any other fixed property.

Mr. WICKERSHAM. Only, it will be a property tax?

Mr. DORR. Yes, sir; a property tax. That, I understand, has nothing to do with this other subject.

Mr. WICKERSHAM. Not at all.

Mr. DORR. A property tax is not a thing——

Mr. WICKERSHAM. You understand that is limited?

Mr. DORR. Yes; to 1 per cent, I believe, under the bill.

Mr. WICKERSHAM. Yes.

Mr. DORR. That is my recollection.

Mr. WICKERSHAM. Now, do I understand that you and the canners do not have any objection to that system?

Mr. DORR. Well, I have no objection to it, and if any of the canners have I don't know it; and if they did, I would not represent them in making an objection to it, because I believe it is right and just that they should pay their part of the property tax the same as other property owners.

Mr. WICKERSHAM. I am glad to hear you say that. That is the first time I have ever heard anything of that kind said by a canneryman.

Mr. DORR. In any of these matters, or in any litigation, I have never tried to escape just taxation for anybody, and I do not intend to.

The CHAIRMAN. That is, as I understand it, speaking for the cannery packers, you would be perfectly willing to have a reasonable tax.

Mr. WICKERSHAM. Property tax.

Mr. DORR. Yes; a property tax, provided all other property is equally assessed and taxed.

The CHAIRMAN (continuing). A reasonable tax based upon your output, provided that were put into a fund to operate and maintain hatcheries?

Mr. DORR. Yes, sir.

The CHAIRMAN. Then, in addition to that, a reasonable property tax for the benefit of the Territory.

Mr. DORR. In addition to that I say that we should be on the same basis as every other property owner in the district.

The CHAIRMAN. That is a reasonable property tax.

Mr. DORR. Yes, sir.

Mr. MOSER. May I ask, in that event, when the Territory of Alaska is assured and we are paying a property tax in Alaska, is it right that we should pay this excessive tax to the Federal Government on the canned product? We would then be paying far and beyond what is paid in any State.

Mr. WICKERSHAM. They will have taken over your hatcheries.

Mr. MOSER. Suppose they did? Suppose they took over our hatcheries. Does the Federal Government anywhere within its jurisdiction exact a tax from the fisheries?

Mr. DORR. The States do, Captain, for hatchery purposes.

Mr. MOSER. But not to the extent of 4 cents per case.

Mr. DORR. No; not so much as that.

Mr. MOSER. And in view of the fact that the bill for the Territory of Alaska has passed the House, do you think it right at this time that we should advocate a large tax on the canned product?

Mr. DORR. Are you asking me?

Mr. MOSER. Yes.

Mr. DORR. I do not think it is right that we should advocate or consent to any tax on the canned product, unless it can be used for the maintenance of the fisheries; but I do think that the fisheries of Alaska should pay a reasonable tax. Just what that is I, perhaps, would want to reflect on, but they should pay a tax to maintain hatcheries if it can be devoted to that purpose. And, when Alaska becomes a Territory, as far as I am concerned, I see no reason at all why they should not pay their proportionate property taxes on the property they have up there.

Mr. MOSER. That is perfectly correct. I perfectly agree with you there; but I do not believe the Federal Government in that event should exact a large tax on the canned product, particularly when they do not exact a tax on the other fisheries which come under their jurisdiction.

Mr. WICKERSHAM. If you get the benefit, Captain, you ought not to object.

Mr. MOSER. I say, an excessive tax.

Mr. WICKERSHAM. I do not mean excessive.

Mr. MOSER. In order to have all the hatcheries you would need to keep your salmon canneries replenished in Alaska you would have to tax them excessively.

Mr. WICKERSHAM. If the salmon canneries get all the output, what is the difference?

Mr. MOSER. The difference is this: The Federal Government does not exact it in any of the States.

The CHAIRMAN. The States exact it, and they are the ones that have the jurisdiction. For instance, the State of Washington—I do not remember just what the terms of the law are—exact a tax.

Mr. MOSER. That is true, Senator; but does not the Federal Government stand side by side with the States perfectly willing to contribute to these hatcheries? In Alaska this is not done. In the States the Federal Government plants its hatcheries side by side with the States and charges nothing for doing it.

The CHAIRMAN. Of course it puts very little in. The policy of Congress is to report bills for about one hatchery in a State, except that in some of the States they have done a little more. In the State of Washington they have, I think, only three United States hatcheries.

Mr. MOSER. There are seven, I believe, in Washington.

Mr. BOWER. Yes, sir; there are seven Federal hatcheries in the State of Washington.

Mr. DORR. We have 20 State hatcheries in Washington.

Mr. BOWER. Some of them are quite small.

The CHAIRMAN. That is what I thought. We have between 20 and 30 State hatcheries.

Mr. WEBB. Twenty.

The CHAIRMAN. I think it is a little over 20.

Mr. DORR. The list Dr. Evermann gave me gives 20 State and 7 Federal hatcheries in the State of Washington.

The CHAIRMAN. I thought it was a little more than that; but we have the list here, and it will speak for itself.

Mr. DORR. I think that list should be put into the record.

Mr. BOWER. I think it is the intention of Dr. Evermann to submit it later.

Mr. WEBB. He wants to submit it with some remarks of his own.

Mr. DORR. Then I will withhold that until the doctor comes in.

The CHAIRMAN. Yes; we will let him put that in with his remarks. We are getting down to a basis anyhow of what would be a fair system.

Mr. WICKERSHAM. It should be one that the people of Alaska would not complain of very much, if they did at all.

The CHAIRMAN. That is to say, a reasonable property tax on the property there and a fair and reasonable tax on the output, to be used largely or entirely in the maintenance and operation of hatcheries in Alaska.

Mr. WICKERSHAM. The people of Alaska want those fisheries maintained. They do not want them depleted or destroyed. They realize that it is going to be one of their great resources in the maintenance of the population which will come to that Territory in time. They do not want the fisheries destroyed.

Mr. MOSER. We are not making any great progress toward keeping up the fisheries. We have asked in this Congress for only \$50,000 to be appropriated for a hatchery on the Nushagak. The prospect for getting it does not seem to me to be great. At these hearings we have already heard and agreed as to the necessity of a large number of hatcheries in Alaska, but you can not get Congress to appropriate \$50,000 to put up one single hatchery.

The CHAIRMAN. Captain, our suggestions go along the line of providing in this bill for a fund for that purpose, so that you would not have to come to Congress every year for an appropriation. I know how difficult that is. I think we can arrive at a reasonable basis upon which we can get some action that will obviate that difficulty. That is what we are trying to arrive at now; to see whether we can devise a satisfactory system by which we can work this matter out to the satisfaction of all parties concerned.

Mr. MOSER. In 1896, before any tax was required by the Government, some of the canners suggested a tax on the canned product for the purpose of building hatcheries.

The CHAIRMAN. Yes.

Mr. BOWER. Government ownership seems to be the solution of the hatchery problem.

Mr. WICKERSHAM. I think so. I am strongly in favor of that myself.

Mr. DORR. Now, Mr. Chairman——

The CHAIRMAN. Just one moment, Mr. Dorr. I want to ask Mr. Bower a question. Suppose, Mr. Bower, we could get a fund of

\$100,000 or \$150,000 a year for hatcheries in Alaska. What would that enable you to do in the way of putting in new hatcheries and operating hatcheries already in existence?

Mr. BOWER. I may say that it costs us now to operate the two hatcheries in Alaska about \$15,000 a year each.

The CHAIRMAN. That is for each of them?

Mr. BOWER. Yes, sir; with a capacity of 72,000,000 sockeye salmon eggs each.

Mr. DORR. That is just for the maintenance?

Mr. BOWER. That is the current operating expense. Now, the two hatcheries originally cost to build \$50,000. That was the initial appropriation made by Congress.

The CHAIRMAN. That is, \$50,000 apiece?

Mr. BOWER. No, sir; \$50,000 for both.

The CHAIRMAN. \$50,000 for the two hatcheries.

Mr. BOWER. The hatchery at Yes Bay cost several thousand dollars more than the one at Afognak, due to the necessity for the construction of a rather expensive flume, and for other reasons, but the \$50,000 appropriation paid for both of these stations.

The CHAIRMAN. So that with \$150,000 a year you could put in two hatcheries a year for some little time and maintain and operate all the others for some little time?

Mr. BOWER. Yes, sir; at least 10 hatcheries of our present capacity. It seems to me that if we had a fund of that amount we could take care of Alaska's needs, as they seem to be at present.

Mr. MOSER. Let me say in connection with this question——

The CHAIRMAN. This does not mean, Captain, that we have done this now.

Mr. MOSER. No; but to raise that \$150,000, where the amount of the tax now by the rebate is somewhere in the neighborhood of \$100,000—about \$100,000—at 4 cents a case; to raise \$150,000 would take 6 cents per case, in round figures.

The CHAIRMAN. But you would be relieved of these hatcheries you now operate and maintain.

Mr. MOSER. That is true; but yet at the 4-cent rate per case we are paying more tax than we are paying in the State of Washington, for instance. At the 6-cent rate we would still be paying more and, with the Territorial taxes, we would simply be taxed to death.

Mr. BOWER. But you get the benefit of the return of the fry, and the fry support your industry.

Mr. DORR. I think the canneries are standing in their own light if they refuse to keep their seed beds well seeded, and if they can do it through the Government, with a uniform tax, it appeals to me as the most practical way to accomplish the end desired. I think that these private hatcheries ought not to be confiscated. They ought to be treated in an equitable way, and if the Government is going to take over the hatching business they ought to settle with these people in some equitable way for the hatcheries they have. I do think that for the best interests of all concerned the Government should maintain the hatcheries, because it is at last a quasi-public affair. I do not think that policy would hurt the captain's company, or any other company, in the long run, and my remarks are directed not to any special class that I may represent or do not represent, but to the whole situation. I am trying to look at this in a broad sense.

Mr. MOSER. But you believe private hatcheries should continue until the Government is ready to take them over?

Mr. DORR. Absolutely yes, I do; and I think they should not be throttled in any way.

The CHAIRMAN. I think every one will agree to that.

Mr. DORR. I would not for a moment advocate anything that would do an injustice to any of these five private hatcheries, but I think it would be better for them in the long run if they would turn them over to the Government at a fair price and let the Government run them.

Mr. WICKERSHAM. Yes; and I think it would be better for the Government and better for the Territory.

Mr. DORR. I may be wrong about it, but that is my honest opinion.

Mr. BOWER. It would be better for all concerned.

Mr. WICKERSHAM. Yes; I think so.

Mr. DORR. In anticipation of this hearing, but too early to get into the 1911 figures, I requested some time ago some answers to several questions—to 15 different questions—from a number of canneries, and I have answers from 16 of the canneries.

First, as to the number of natives employed in and around the cannery. Second, number of natives employed in fishing. Third, amount in money paid to natives at the canneries.

The CHAIRMAN. Can you summarize the answers to those questions?

Mr. DORR. The answers are pretty long, Senator.

The CHAIRMAN. For instance, how many natives are employed?

Mr. DORR. I can give you the totals.

The CHAIRMAN. That is what I mean. Just give the totals, and then we will put the entire statement into the record.

Mr. DORR. I will do that.

First question. Number of natives employed in and around the canneries: These answers cover 1908, 1909, and 1910. 1911 was not completed at the time these answers were returned. They cover 16 canneries for the first two years and one more for the last year. In 1908 these 16 companies employed 716 natives in and around their canneries; in 1909 they employed 704 natives, and in 1910 the 17 companies employed 930 natives in that capacity.

Question No. 2. Number of natives employed fishing: In 1908 there were 558; in 1909, there were 436; in 1910, there were 746 natives employed by these companies in fishing.

Mr. BOWER. Is the amount paid to the natives stated there?

Mr. DORR. No. 3. Amount in money paid the natives at canneries: In 1908, \$75,476.95; 1909, \$62,847.60; 1910, \$92,135.72.

Question No. 4. Amount of money paid to natives for fishing: 1908, \$115,528.30; 1909, \$87,462.49; 1910, \$146,561.53.

Question No. 5. Number of white men employed, with permanent residence in Alaska: 1908, 209; 1909, 187; 1910, 327.

Bear in mind that in 1910 there is added one more company to the numbers answering for 1908 and 1909.

Question No. 6. Amount of money paid these white men: 1908, \$85,952.57; 1909, \$77,319.48; 1910, \$99,525.41.

Question No. 7. Amount of money spent annually for supplies purchased in Alaska from different concerns or individuals: 1908, \$101,404.68; 1909, \$93,083.70; 1910, \$119,719.31. This shows that these fishing companies are doing something for Alaska and are expending considerable money in Alaska.

Mr. MOSER. May I ask whether "natives" includes men, women, and children? There are many women and children also employed.

Mr. DORR. Yes, Captain; this is supposed to be the total amount paid for native labor.

Mr. WICKERSHAM. What are children employed for?

Mr. MOSER. They pile up cans and do work of that kind. They make 15 cents an hour—numbers of them.

Mr. WEBB. Mr. Dorr, is one of the companies represented there the Alaska Packers' Association?

Mr. DORR. No, sir. That company is not in this list.

Mr. WICKERSHAM. These are independent concerns?

Mr. DORR. Yes, sir.

Mr. BOWER. Are they not mostly southeastern Alaska canneries to which you refer in that statement?

Mr. DORR. Well, I will read the names, Mr. Bower. [Reading:]

Pacific American Fisheries; Shakan Salmon Co.; Gorman Co.; Alaska Salmon Co.; G. T. Myers & Co.; Alaska Portland Packers' Association; F. C. Barnes Co.; North Alaska Salmon Co.; Astoria & Puget Sound Canning Co.; Pillar Bay Packing Co.; Naknek Packing Co.; Red Salmon Canning Co.; Thlinket Packing Co.; Ketchikan Canning Co.; Yakutat & Southern Railway Co.; Northwestern Fisheries Co., and the Pacific Coast & Norway Packing Co. (for 1910).

The CHAIRMAN. Why is the Yakutat company called a railway company?

Mr. DORR. It was organized as a railway company before it went into the fishing business. It had a sawmill and later on built a cannery and continued on under the same name.

The CHAIRMAN. Did they build any railroad?

Mr. DORR. Yes, they built a very short railroad.

Mr. BOWER. They have a railroad $9\frac{1}{4}$ miles long?

Mr. DORR. Yes, I think it is 9 or 10 miles long.

Mr. BOWER. It is used exclusively for transporting fish from the Seetuck River to the cannery.

Mr. WICKERSHAM. It was originally built for logging purposes.

Mr. BOWER. Yes, so I understand.

Mr. DORR. The Government covered that country with a forest reserve and the company concluded to go into the fishing business.

Mr. WICKERSHAM. Senator, you speak about the Ketchikan cannery. What cannery is that?

Mr. DORR. That is the only one at Ketchikan, I think. It is owned by the Fidalgo Island Packing Co.

Mr. WICKERSHAM. That is not the Cold Storage Fishing Co. there, is it?

Mr. DORR. No; this is the cannery.

Mr. WICKERSHAM. Does that statement show the number of natives employed by each one of these canneries?

Mr. DORR. Yes, sir. Would you like to see the list?

Mr. WICKERSHAM. Yes. [Reading:]

Number of natives employed by each and the amount of wages paid by each cannery.

The CHAIRMAN. Would you like to have this go into the record, Mr. Dorr?

Mr. DORR. I would like to have it go into the record. I think it contains valuable information.

Mr. WICKERSHAM. I notice that a good many of these canneries give the same number of Indians employed each year. Can you explain that?

Mr. BROWNE. They probably live right there.

Mr. DORR. Probably they live there; I do not know.

Mr. WICKERSHAM. Don't you think that is a mere guess at it?

Mr. DORR. No; I don't think it is a mere guess at it.

Mr. WICKERSHAM. You think they employ exactly the same number each year for three years?

Mr. DORR. There is one here which has 23 for each year.

Mr. WICKERSHAM. Well, there are several there that have the same number for each year.

Mr. DORR. Here is one which had 12 each year.

Mr. WICKERSHAM. Yes; and there are several more.

Mr. DORR. Yes, and here is another instance. There are several.

The CHAIRMAN. How did you get these figures, Mr. Dorr?

Mr. DORR. By applying to these companies for them.

The CHAIRMAN. You wrote them and asked them to give you the information?

Mr. DORR. Yes, sir; I had a man do it for me.

Mr. WICKERSHAM. Do you know whether they kept any record of it or not?

Mr. DORR. I only know what they reported.

Mr. MOSER. I fancy that must be a good, fair approximation. Take a cannery like the Hunter's Bay Packing Co., for instance, at Klinkwan, a certain number of Indians seek employment at that place every year. At Klawock a specific number are also employed in that cannery. At Klawock Indians are employed in the fisheries and for operating the cannery. They even operated that cannery by piecework at one time, all by Indian labor.

Mr. DORR. This is their own statement, I have no reason to doubt it.

Mr. WICKERSHAM. And you do not know whether it is right or wrong?

Mr. DORR. I know nothing about it except as they gave it to me.

Mr. BROWNE. They must have a record of the money they paid.

Mr. WICKERSHAM. Are the amounts exactly the same for the same years?

Mr. DORR. Some of them are; yes, sir.

Mr. BROWNE. And some of them are very different.

Mr. DORR. Take the Pacific American Fisheries for an example, the first name on the list. In 1908 they had 75 natives employed at the cannery; in 1909 they had 60; and in 1910 they had 70. The next company had 25, 25 and 30, respectively; the next company 30—

The CHAIRMAN. Well, I don't think you need to read those over, Mr. Dorr. They speak for themselves. You simply got these figures from these people, and that is all you know about it.

Mr. DORR. It is possible that some of these figures may be approximated. I do not know.

The CHAIRMAN. You have no reason to believe that their statements are not correct?

Mr. DORR. No, sir.

Mr. BROWNE. The reports of the Bureau of Fisheries will give the number of fishermen and help employed, their nativity, and so forth, including the Indians.

The statement is as follows:

Recapitulation of information pertaining to questions asked of the packers.

QUESTION NO. 1. NUMBER OF NATIVES EMPLOYED IN AND AROUND CANNERY.

	1908	1909	1910
Pacific American Fisheries	75	60	70
Shakan Salmon Co	25	25	30
Gorman Co., Kasaan, Alaska	30	.....	30
Alaska Salmon Co	8	8	8
G. T. Myers & Co	150	150	150
Alaska-Portland Packers Association	40	40	40
F. C. Barnes Co	12	12	12
North Alaska Salmon Co	60	60	60
Astoria & Puget Sound Canning Co	23	23	23
Pillar Bay Packing Co .....	.....	.....	40
Naknek Packing Co	12	16	16
Red Salmon Canning Co .....	.....	4	15
Thlinket Packing Co	60	106	106
Ketchikan Canning Co	80	.....	70
Yakutat & Southern Ry. Co	35	60	60
Northwestern Fisheries Co	106	130	165
Total	716	704	895
Pacific Coast & Norway Packing Co .....	.....	.....	35
Total .....	.....	.....	930

QUESTION NO. 2. NUMBER OF NATIVES EMPLOYED FISHING.

Pacific American Fisheries .....	.....	30	32
Shakan Salmon Co	44	44	45
Gorman Co., Kasaan, Alaska	50	.....	50
Alaska Salmon Co .....	.....	.....	.....
G. T. Myers & Co	150	100	125
Alaska-Portland Packers Association .....	.....	.....	.....
F. C. Barnes Co	20	20	20
North Alaska Salmon Co	6	6	6
Astoria & Puget Sound Canning Co	25	25	25
Pillar Bay Packing Co .....	.....	.....	70
Naknek Packing Co .....	.....	.....	.....
Red Salmon Canning Co .....	.....	.....	.....
Thlinket Packing Co .....	.....	.....	.....
Ketchikan Canning Co	96	.....	72
Yakutat & Southern Ry. Co	24	25	36
Northwestern Fisheries Co	143	186	225
Total	558	436	706
Pacific Coast & Norway Packing Co .....	.....	.....	40
Total .....	.....	.....	746

QUESTION NO. 3. AMOUNT OF MONEY PAID TO NATIVES AT CANNERY.

Pacific American Fisheries	\$6,000.00	\$4,500.00	\$5,300.00
Shakan Salmon Co	1,988.00	1,850.00	2,096.00
Gorman Co., Kasaan, Alaska	2,800.00	.....	3,000.00
Alaska Salmon Co	300.00	300.00	300.00
G. T. Myers & Co	12,000.00	10,000.00	13,000.00
Alaska-Portland Packers Association	1,200.00	1,200.00	1,200.00
F. C. Barnes Co	857.00	857.00	857.00
North Alaska Salmon Co	7,000.00	7,000.00	7,000.00
Astoria & Puget Sound Canning Co	2,840.00	2,840.00	2,840.00
Pillar Bay Packing Co .....	.....	.....	3,200.00
Naknek Packing Co	797.00	900.00	1,408.00
Red Salmon Canning Co .....	.....	329.00	972.00
Thlinket Packing Co	6,500.00	9,000.00	8,000.00
Ketchikan Canning Co	11,000.00	.....	9,000.00
Yakutat & Southern Railway Co	4,899.60	7,308.10	10,158.00
Northwestern Fisheries Co	17,295.35	16,763.50	19,604.72
Total	75,476.95	62,847.60	87,935.72
Pacific Coast & Norway Packing Co	4,200.00
Total	92,135.72

Mr. WICKERSHAM. I notice that a good many of *men*—Continued.
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Mr. WICKERSHAM

Mr. DORR. Yes

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NUMBER OF WHITE MEN EMPLOYED WITH PERMANENT RESIDENCE IN ALASKA.			
	1908	1909	1910
Pacific American Fisheries.....	18	21	27
Shakan Salmon Co.....	1	1	1
Gorman Co., Kasuan, Alaska.....	4	4	4
Alaska Salmon Co.....	4	4	4
G. T. Myers & Co.....	2	2	2
Alaska-Portland Packers Association.....	5	5	5
F. C. Barnes Co.....	9	9	9
North Alaska Salmon Co.....	10	10	10
Astoria & Puget Sound Canning Co.....	12	12	12
Pillar Bay Packing Co.....	2	2	2
Naknek Packing Co.....	11	2	2
Red Salmon Canning Co.....	24	26	28
Thlinket Packing Co.....	8	8	10
Ketchikan Canning Co.....	3	3	4
Yakutat & Southern Ry. Co.....	96	86	129
Northwestern Fisheries Co.....			
Pacific Coast & Norway Packing Co.....	209	187	261
Total.....			66
			227

QUESTION NO. 6. AMOUNT OF MONEY PAID THESE WHITE MEN.

	1908	1909	1910
Pacific American Fisheries.....	\$6,900.00	\$5,100.00	\$5,400.00
Shakan Salmon Co.....	600.00	600.00	1,000.00
Gorman Co., Kasuan, Alaska.....	560.00		220.00
Alaska Salmon Co.....	2,800.00	2,800.00	2,800.00
G. T. Myers & Co.....	1,600.00	1,600.00	1,600.00
Alaska-Portland Packers Association.....	2,200.00	2,200.00	2,200.00
F. C. Barnes Co.....	3,553.95	3,553.95	3,553.95
North Alaska Salmon Co.....	4,000.00	4,000.00	4,000.00
Astoria & Puget Sound Canning Co.....	7,500.00	7,500.00	7,500.00
Pillar Bay Packing Co.....			2,700.00
Naknek Packing Co.....	1,375.00	1,455.00	1,485.00
Red Salmon Canning Co.....		1,016.00	1,444.00
Thlinket Packing Co.....	8,813.00	10,683.00	10,571.00
Ketchikan Canning Co.....	6,000.00		9,000.00
Yakutat & Southern Ry. Co.....	2,405.05	2,660.95	3,671.61
Northwestern Fisheries Co.....	87,665.57	84,140.58	42,880.80
Total.....	85,972.57	77,319.48	99,525.41
Pacific Coast & Norway Packing Co.....			

*Recapitulation of information pertaining to questions asked of the packers—Continued.***QUESTION NO. 7. AMOUNT OF MONEY SPENT YEARLY FOR SUPPLIES THAT ARE PURCHASED IN ALASKA FROM RESIDENT CONCERNS OR INDIVIDUALS.**

	1908	1909	1910
Pacific Fisheries.....	\$11,200.00	\$8,500.00	\$16,800.00
Shakan Co.....	6,395.00	6,576.00	7,473.00
Gorman, Alaska.....	9,000.00	.....	9,000.00
.....	2,500.00	2,500.00	2,500.00
.....	2,500.00	2,500.00	2,500.00
Alaska Packers Association.....	.....	.....	.....
F. C. Barnes Co.....	4,937.50	4,937.50	4,937.50
North Alaska Salmon Co.....	1,000.00	1,000.00	1,000.00
Astoria & Puget Sound Canning Co.....	15,555.43	15,555.43	15,555.43
Pillar Bay Packing Co.....	5,500.00	5,500.00	5,500.00
Naknek Packing Co.....	.....	.....	.....
Red Salmon Canning Co.....	.....	.....	.....
Thlinket Packing Co.....	13,324.00	19,031.00	21,053.00
Yakutat & Southern Ry. Co.....	.....	4,410.00	6,307.55
Northwestern Fisheries Co.....	29,492.75	22,573.77	27,092.83
Total.....	101,404.68	93,083.70	119,719.31

QUESTION NO. 8. AMOUNT OF MONEY SPENT FOR TIN PLATE.

Pacific American Fisheries.....	\$33,747.72	\$25,900.00	\$29,425.00
Shakan Salmon Co.....	21,234.00	18,937.00	25,464.00
Gorman Co., Kasaan, Alaska.....	15,987.00	.....	17,350.00
Alaska Salmon Co.....	20,000.00	20,000.00	20,000.00
G. T. Myers & Co.....	43,550.00	27,200.00	40,000.00
Alaska-Portland Packers Association.....	.....	.....	.....
F. C. Barnes Co.....	12,443.77	12,443.77	12,443.77
North Alaska Salmon Co.....	74,196.27	74,196.27	74,196.27
Astoria & Puget Sound Canning Co.....	17,950.93	17,950.93	17,950.93
Pillar Bay Packing Co.....	.....	.....	15,117.00
Naknek Packing Co.....	21,500.00	22,500.00	46,400.00
Red Salmon Canning Co.....	.....	16,000.00	15,800.00
Thlinket Packing Co.....	29,601.00	29,601.00	29,601.00
Ketchikan Canning Co.....	21,000.00	.....	15,500.00
Yakutat & Southern Ry. Co.....	25,923.71	19,456.84	21,355.64
Northwestern Fisheries Co.....	170,557.42	144,480.82	166,378.78
Total.....	507,691.82	428,666.63	546,982.39
Pacific coast & Norway Packing Co.....	.....	.....	19,000.00
Total.....	.....	.....	565,982.39

QUESTION NO. 9. AMOUNT OF MONEY SPENT FOR SOLDER.

Pacific-American Fisheries.....	\$13,000.00	\$8,700.00	\$10,600.00
Shakan Salmon Co.....	7,103.00	6,102.00	9,142.00
Gorman Co., Kasaan, Alaska.....	5,947.00	.....	7,500.00
Alaska Salmon Co.....	8,000.00	8,000.00	8,000.00
G. T. Myers & Co.....	15,100.00	8,200.00	13,000.00
Alaska-Portland Packers Association.....	.....	.....	.....
F. C. Barnes Co.....	7,280.00	7,280.00	7,280.00
North Alaska Salmon Co.....	25,613.00	25,613.00	25,613.00
Astoria & Puget Sound Canning Co.....	6,879.94	6,879.94	6,879.94
Pillar Bay Packing Co.....	.....	.....	5,125.00
Naknek Packing Co.....	4,041.00	6,492.00	12,256.00
Red Salmon Canning Co.....	.....	4,631.00	4,405.00
Thlinket Packing Co.....	10,199.00	10,537.00	13,772.00
Ketchikan Canning Co.....	12,000.00	.....	8,600.00
Yakutat & Southern Ry. Co.....	10,685.15	7,272.13	7,264.58
Northwestern Fisheries Co.....	50,988.15	47,267.92	49,004.43
Total.....	176,836.24	146,974.99	188,441.95
Pacific Coast & Norway Packing Co.....	.....	.....	7,000.00
Total.....	.....	.....	195,441.95

Recapitulation of information pertaining to questions asked of the packers—Continued.

QUESTION NO. 4. AMOUNT OF MONEY PAID TO NATIVES FOR FISHING.

	1908	1909	1910
Pacific American Fisheries.....		\$7,500.00	\$5,300.00
Shakan Salmon Co.....	\$13,634.00	12,585.00	14,633.00
Gorman Co., Kasaan, Alaska.....	11,200.00		13,500.00
Alaska Salmon Co.....			
G. T. Myers & Co.....	23,950.00	13,850.00	19,250.00
Alaska-Portland Packers Association.....			
F. C. Barnes Co.....	7,194.52	7,194.52	7,194.52
North Alaska Salmon Co.....	2,000.00	2,000.00	2,000.00
Astoria & Puget Sound Canning Co.....	11,399.92	11,399.92	11,399.92
Pillar Bay Packing Co.....			12,000.00
Naknek Packing Co.....			
Red Salmon Canning Co.....			
Thlinket Packing Co.....			
Ketchikan Canning Co.....	13,000.00		15,000.00
Yakutat & Southern Railway Co.....	4,954.94	7,189.20	7,838.36
Northwestern Fisheries Co.....	28,194.92	25,743.85	30,944.73
Total.....	115,528.30	87,462.49	139,061.53
Pacific Coast & Norway Packing Co.....			7,500.00
Total.....			146,561.53

QUESTION NO 5. NUMBER OF WHITE MEN EMPLOYED WITH PERMANENT RESIDENCE IN ALASKA.

Pacific American Fisheries.....	18	21	27
Shakan Salmon Co.....	1	1	1
Gorman Co., Kasaan, Alaska.....	4		2
Alaska Salmon Co.....	4	4	4
G. T. Myers & Co.....	2	2	2
Alaska-Portland Packers Association.....	5	5	5
F. C. Barnes Co.....	9	9	9
North Alaska Salmon Co.....	10	10	10
Astoria & Puget Sound Canning Co.....	12	12	12
Pillar Bay Packing Co.....			11
Naknek Packing Co.....	2	2	2
Red Salmon Canning Co.....	11	2	2
Thlinket Packing Co.....	24	26	28
Ketchikan Canning Co.....	8		10
Yakutat & Southern Ry. Co.....	3	3	4
Northwestern Fisheries Co.....	96	86	132
	209	187	261
Pacific Coast & Norway Packing Co.....			66
Total.....			327

QUESTION NO. 6. AMOUNT OF MONEY PAID THESE WHITE MEN.

Pacific American Fisheries.....	\$6,900.00	\$5,100.00	\$5,400.00
Shakan Salmon Co.....	600.00	600.00	1,000.00
Gorman Co., Kasaan, Alaska.....	560.00		220.00
Alaska Salmon Co.....	2,800.00	2,800.00	2,800.00
G. T. Myers & Co.....	1,600.00	1,600.00	1,600.00
Alaska-Portland Packers Association.....	2,200.00	2,200.00	2,200.00
F. C. Barnes Co.....	3,553.95	3,553.95	3,553.95
North Alaska Salmon Co.....	4,000.00	4,000.00	4,000.00
Astoria & Puget Sound Canning Co.....	7,500.00	7,500.00	7,500.00
Pillar Bay Packing Co.....			2,700.00
Naknek Packing Co.....	1,375.00	1,455.00	1,485.00
Red Salmon Canning Co.....		1,016.00	1,444.00
Thlinket Packing Co.....	8,813.00	10,683.00	10,571.00
Ketchikan Canning Co.....	6,000.00		9,000.00
Yakutat & Southern Ry. Co.....	2,405.05	2,660.95	3,671.61
Northwestern Fisheries Co.....	37,665.57	34,140.58	42,380.80
Total.....	85,972.57	77,319.48	99,525.41
Pacific Coast & Norway Packing Co.....			

*Recapitulation of information pertaining to questions asked of the packers—Continued.***QUESTION NO. 7. AMOUNT OF MONEY SPENT YEARLY FOR SUPPLIES THAT ARE PURCHASED IN ALASKA FROM RESIDENT CONCERNS OR INDIVIDUALS.**

	1908	1909	1910
Pacific American Fisheries.....	\$11,200.00	\$8,500.00	\$16,800.00
Shakan Salmon Co.....	6,395.00	6,576.00	7,473.00
Gorman Co., Kasaan, Alaska.....	9,000.00	.....	9,000.00
Alaska Salmon Co.....	2,500.00	2,500.00	2,500.00
G. T. Myers & Co.....	2,500.00	2,500.00	2,500.00
Alaska-Portland Packers Association.....	.....	.....	.....
F. C. Barnes Co.....	4,937.50	4,937.50	4,937.50
North Alaska Salmon Co.....	1,000.00	1,000.00	1,000.00
Astoria & Puget Sound Canning Co.....	15,555.43	15,555.43	15,555.43
Pillar Bay Packing Co.....	5,500.00	5,500.00	5,500.00
Naknek Packing Co.....	.....	.....	.....
Red Salmon Canning Co.....	.....	.....	.....
Thlinket Packing Co.....	13,324.00	19,031.00	21,053.00
Yakutat & Southern Ry. Co.....	.....	4,410.00	6,307.55
Northwestern Fisheries Co.....	29,492.75	22,573.77	27,092.83
Total	101,404.68	93,083.70	119,719.31

QUESTION NO. 8. AMOUNT OF MONEY SPENT FOR TIN PLATE.

Pacific American Fisheries.....	\$33,747.72	\$25,900.00	\$29,425.00
Shakan Salmon Co.....	21,234.00	18,937.00	25,464.00
Gorman Co., Kasaan, Alaska.....	15,987.00	.....	17,350.00
Alaska Salmon Co.....	20,000.00	20,000.00	20,000.00
G. T. Myers & Co.....	43,550.00	27,200.00	40,000.00
Alaska-Portland Packers Association.....	.....	.....	.....
F. C. Barnes Co.....	12,443.77	12,443.77	12,443.77
North Alaska Salmon Co.....	74,196.27	74,196.27	74,196.27
Astoria & Puget Sound Canning Co.....	17,950.93	17,950.93	17,950.93
Pillar Bay Packing Co.....	.....	.....	15,117.00
Naknek Packing Co.....	21,500.00	22,500.00	46,400.00
Red Salmon Canning Co.....	.....	16,000.00	15,800.00
Thlinket Packing Co.....	29,601.00	29,601.00	29,601.00
Ketchikan Canning Co.....	21,000.00	.....	15,500.00
Yakutat & Southern Ry. Co.....	25,923.71	19,456.84	21,355.64
Northwestern Fisheries Co.....	170,557.42	144,480.82	166,378.78
Total	507,691.82	428,666.63	546,982.39
Pacific coast & Norway Packing Co.....	.....	.....	19,000.00
Total.....	.....	.....	565,982.39

QUESTION NO. 9. AMOUNT OF MONEY SPENT FOR SOLDER.

Pacific-American Fisheries.....	\$13,000.00	\$8,700.00	\$10,600.00
Shakan Salmon Co.....	7,103.00	6,102.00	9,142.00
Gorman Co., Kasaan, Alaska.....	5,947.00	.....	7,500.00
Alaska Salmon Co.....	8,000.00	8,000.00	8,000.00
G. T. Myers & Co.....	15,100.00	8,200.00	13,000.00
Alaska-Portland Packers Association.....	.....	.....	.....
F. C. Barnes Co.....	7,280.00	7,280.00	7,280.00
North Alaska Salmon Co.....	25,613.00	25,613.00	25,613.00
Astoria & Puget Sound Canning Co.....	6,879.94	6,879.94	6,879.94
Pillar Bay Packing Co.....	.....	.....	5,125.00
Naknek Packing Co.....	4,041.00	6,492.00	12,256.00
Red Salmon Canning Co.....	.....	4,631.00	4,405.00
Thlinket Packing Co.....	10,199.00	10,537.00	13,772.00
Ketchikan Canning Co.....	12,000.00	.....	8,600.00
Yakutat & Southern Ry. Co.....	10,685.15	7,272.13	7,264.58
Northwestern Fisheries Co.....	50,988.15	47,267.92	49,004.43
Total	176,836.24	146,974.99	188,441.95
Pacific Coast & Norway Packing Co.....	.....	.....	7,000.00
Total.....	.....	.....	195,441.95

One of the largest of the above-listed canning concerns makes the following statement: In connection with the number of natives employed in and around the cannery and fishing and also white men resident in Alaska employed, every native or white man available in and around the plant is employed by them and that they always employ these natives and fishermen in preference to taking men from the States, and this is endorsed by several of the other canning establishments as their habit.

N. B.—The omissions opposite the names of several of the canners in several questions means that either the replies were of an unsatisfactory character or this question was not answered by the party or that they had no figures to give for that particular question.

Mr. DORR. With the permission of the committee, I desire now to make a very few observations on the trap section of the bill, the section relating to traps. At the last hearing I think Judge Wickersham asked me the number of traps we were operating on Puget Sound. I will answer that question by a reference to the report of the fish commissioner of that State, for 1910, the latest year for which I have the published report. In the Puget Sound district he gives the number of traps operated as 146 and the number not operated that year as 86. Under the laws of the State of Washington a trap-site holder is required to operate his trap once in four years or else he forfeits it, and that accounts for a good many of these traps not being operated every year.

Mr. WICKERSHAM. May I ask you a question, Senator Dorr?

Mr. DORR. Yes, sir.

Mr. WICKERSHAM. What kind of a title does the trap owner have in Washington in the waters?

Mr. DORR. Just exactly such a title as I endeavored to explain as my understanding of the status of the trap site in Alaska under the present bill if the bill is passed; that is, merely a possessory title, which is extinguished by nonuser, or abandonment, or by change of law.

The CHAIRMAN. That is, he has a right to the possession of it as long as he complies with the law and makes use of the trap?

Mr. DORR. Yes, sir; as long as he complies with the law his license is limited to a year. He can only renew it for one year. It gives no title to the land itself or to the water.

Mr. WICKERSHAM. It is a mere easement—a limited easement?

Mr. DORR. A limited easement; a right to occupy a particular place for fishing purposes; it is always subject to the superior easement for navigation which is granted to the Federal Government for the purposes of navigation. The War Department, which is the branch of our executive department which has to do with navigation matters, can always remove those traps if they obstruct navigation.

Mr. WEBB. Mr. Dorr, for the benefit of Easterners, is not a trap what is commonly known in the east as a weir? Are they not the same thing?

Mr. DORR. Yes; it is the same as a weir or pound net. They are variously called weirs, pound nets, and traps. They are synonymous terms, and as I stated the other day, there are a number of them between here on the lower reaches of the Potomac River. There is one right in sight from the bridge here in Washington.

The State of Washington is divided into several districts. The report shows there are 283 traps used on the Columbia River and 86 not used in 1910.

Mr. WICKERSHAM. They are all below the first rapids, are they not?

Mr. DORR. They are all away down the river.

Mr. WICKERSHAM. Yes; I see. They are all practically below Vancouver.

Mr. DORR. Oh, yes; they are away down below Vancouver.

The CHAIRMAN. They do not come up much above Astoria.

Mr. DORR. Some of the traps are above Astoria. There are a great many around the mouth of the river at Bakers Bay. There were a few up toward Kalama. I do not think there is a single trap above Vancouver.

The CHAIRMAN. You do not believe there are any there?

Mr. DORR. I think there are some.

The CHAIRMAN. There are lots of wheels up there.

Mr. DORR. The wheels are farther up the river. Then there is the Willipa district and the Grays Harbor district, which I will omit, which also have traps.

Under the trap section as drawn, with all due deference to the Bureau of Fisheries, or whomever drew it, I think it is impracticable of operation.

The CHAIRMAN. Point out in what way, Mr. Dorr.

Mr. DORR. I do not think it is possible to mark a trap location according to their instructions.

The CHAIRMAN. That is section 4?

Mr. DORR. Section 4 of the bill. I do not believe that an engineer could follow that law and mark a trap. I have submitted it to several engineers, and they have given it up.

Mr. WICKERSHAM. I wish you would read the section and point out wherein the defect lies.

Mr. MOSER. I have attempted to lay out traps according to the reading of the section. I think the defect is that the clause relating to locations is upon the general idea that the trap is connected with or near the shore. It would be very difficult to locate an outlying trap according to their directions.

Mr. BOWER. But aside from that the section is in your opinion sufficient to cover the matter, is it not?

Mr. MOSER. The subject matter is good, but a rearrangement of the whole section I think should be made. The entire section should be rearranged and have exactly the same conditions in it, but in a very much clearer order.

The CHAIRMAN. Now, Mr. Dorr, this says [reading]:

And for that purpose shall submit to the Secretary of Commerce and Labor an accurate survey of the proposed location, made by a competent surveyor and certified to by him, showing the location thereof and certifying that the said location has been marked by two piles or monuments at or above high-water mark, that said piles or monuments indicate the lateral extent of the proposed trap, and that they are not within 600 yards of any other similar marker of any occupied or valid claim or location for a like purpose, and further that a notice of the proposed location has been posted on each of said piles or monuments.

That is the part you claim can not be carried out.

Mr. DORR. That is the first part, which I say is impracticable.

The CHAIRMAN. What is impracticable about that?

Mr. DORR. The man who drew that provision evidently figured that the shore ran in a straight line and that the trap would lie at right angles with the shore.

Mr. WICKERSHAM. He assumed an ideal situation?

Mr. DORR. He assumed an ideal situation that does not exist. I am going to suggest to the committee, and to the Bureau of Fisheries as well, an entire change in that method of marking.

I will state it in this way: The suggestion is that instead of surveying a line, a definite location, that we lay it out into plots, like town lots for instance, and then let the trap owner build his trap anywhere within the limits of his plot, and provide for distances not between the traps but between the plots, so that it will insure the full distance, even though the traps are built on adjacent sides of the two plots. In something like this form [indicating]: Instead of a fixed location for a trap site, give him a plot of land in the water and let him build his trap anywhere he wants to within the limits of his plot, and keep the next man the full distance away from his plot, and so on.

Mr. BOWER. That was an idea that the bureau had considered when this section was drafted.

Mr. DORR. You do not limit them. You say the location piles shall be at the lateral extremity of the proposed trap. You do not say how wide that trap may be. It may be 600 feet or 1,200 feet or more.

Mr. BOWER. It may vary in width. Suppose the lead of the trap parallels the shore for a certain distance. Necessarily the shape of the trap location would differ.

Mr. DORR. I have provided for a limit in width of 1,200 feet.

Mr. BOWER. That is in your proposed draft?

Mr. DORR. Yes, in my proposed suggestion.

Mr. MOSER. Instead of taking the lines as provided in the proposed bill, in which these lines are along shore, Mr. Dorr provides, as I understand it, a parallelogram within which it may be located.

The CHAIRMAN. I think we can save time by having Mr. Dorr and the fish people take this suggestion and see if you can not work out something in which you can all agree upon.

Mr. DORR. We will be very glad to do that.

Mr. BOWER. It was thought that it might work an unnecessary hardship upon the fishing interests by limiting the extent of their trap sites.

The CHAIRMAN. I would suggest before we take up more time on that that you get together and see if you can agree upon a section covering the trap site proposition.

Mr. BROWNE. It is a mere matter of detail.

The CHAIRMAN. They can work it out a good deal better than anybody else.

Mr. DORR. There are a good many other features in this trap provision that we think ought to be changed. Does your suggestion cover the whole trap section?

The CHAIRMAN. It would not cover a general legislative proposition.

Mr. DORR. They have incorporated one proposition of law here that I think is radically wrong.

The CHAIRMAN. Let us hear that.

Mr. DORR. They say no trap shall be sold unless the cannery is sold with it. That puts the independent man out of business. He can not sell a trap unless he has a cannery to go with it, and I can not

understand why a trap site should be withdrawn from sale any more than any other species of property. A man goes up there, takes a trap site and pays \$100 license for it, which we are willing to have him do, and he ought to have the right to sell it, lease it, or mortgage it, and it ought to descend to his heirs in case of his death; but in the bill as drawn there is no way to sell the trap unless it is attached to a cannery—unless the whole plant is sold.

Mr. BOWER. Is not there a possibility of trap sites being located by individuals and sold to the big companies?

Mr. DORR. Suppose they are?

Mr. BOWER. That might be the means of creating a monopoly, to the extent that the individual or small operator is put out of business. In other words, available trap sites might be controlled by the big companies.

Mr. DORR. I think your plan is more conducive to that result than to leave them independent.

Mr. BOWER. We think that result will follow. But, perhaps, after all, the matter is not of great moment.

Mr. DORR. You would have a trap attached to the cannery as an appurtenance to the cannery which can not be segregated from the cannery. If I own a cannery and Judge Wickersham owns a cannery, and we have traps that are more accessible to one another, we could not trade them; we could not even exchange our own locations with one another.

Mr. WICKERSHAM. Do I understand that if you have this scheme of traps on these plots of ground with vacant spaces that another person can come on that vacant space adjoining your plot?

Mr. DORR. No, sir; those spaces are left absolutely vacant.

Mr. WICKERSHAM. They are not to be fished upon at all?

Mr. DORR. No, sir; they are not to be fished upon at all.

Mr. WICKERSHAM. And there is no limit to the number of those sites which one man or company may own?

Mr. DORR. No limit to the number of plots one man may own or control if he pays \$100 per year for each.

Mr. BOWER. But this bill also provides that the site shall actually be used.

Mr. DORR. Yes; they have to build a trap on it, under my scheme, at least every other year.

Mr. BOWER. In Washington they have a four-year term, but we propose one year; failure to use one year shall forfeit the site.

Mr. DORR. My suggestion is two years.

Mr. WICKERSHAM. Of course, I am opposed to the whole trap proposition. I think it is a wrong principle, but I do not know much about fishing and I am open to conviction on that proposition.

Mr. MOSER. If you are going to fish at all, Judge, you must have the means for catching fish.

Mr. WICKERSHAM. I realize that, Captain.

Mr. MOSER. And a trap is one of the means.

Mr. WICKERSHAM. But to give these plots to a man without limit smacks of a monopoly of the fishing. I do not see anything to prevent one company's securing the richest fishing grounds in Alaska for a very small sum of money and running everybody else out and preventing everybody else from fishing.

Mr. DORR. Traps are not the principal instruments of destruction of fish in Alaska.

The CHAIRMAN. I understood some one to say the other day that a purse seine was more effective.

Mr. DORR. Absolutely so; a purse seine is an animated trap. It moves after the fish, while with a trap the fish must come to it, and you can't drive them either.

Mr. WICKERSHAM. I may go out and want to fish along with you, but if you have control of the whole water front I am excluded from fishing, and I can not fish at all.

Mr. DORR. I think that in all of these years of no license and no restrictions the Alaska Packers Association has never had more than 25 to 30 traps in Alaska.

Mr. MOSER. No; never.

The CHAIRMAN. The committee will consider the proposition of doing away with traps entirely; but, as I understand the matter, traps have been operated up there now without any tax at all.

Mr. DORR. They always have.

The CHAIRMAN. This bill is framed on the idea that traps will continue, but there must be restrictions, licenses, and so forth. Of course I would like to talk about details of the bill and as to the general proposition whether they shall be operated or not. We can take that up. So on this proposition Mr. Dorr has just stated the bill reads—

Licenses to operate a fish trap shall not be transferable as assignable, except in the event that any licensee shall be engaged in canning, salting, or otherwise preserving salmon, and shall transfer such establishment for canning, salting, or otherwise preserving salmon, by sale or in any other manner, then the licenses to such traps as serve that particular establishment may be transferred therewith.

In other words that prohibits the transfer of any license except if the license is held by a person who is canning, salting, or otherwise preserving salmon, and in that case he can not transfer it except by transferring his establishment. That is the proposition.

Mr. DORR. Yes; I say there is not any more reason for that restriction than there would be to prohibit a farmer from selling a reaper without selling his whole farm with the reaper.

Mr. WICKERSHAM. Yes; there is a whole lot of difference, because a few of these trap sites give a monopoly of fishing to one bay or one stream.

Mr. DORR. But this will cause these traps all to belong to the people whom you say are the monopolies. I think it will prevent the independent man who can afford to build a trap himself and run it on his own responsibility, from fishing at all. He can never dispose of it. It infringes the freedom of sale of a species of property.

Mr. WICKERSHAM. I would be inclined, if in favor of traps at all, to go to the other extreme and prevent the cannery from owning any traps.

Mr. MOSER. There are some places, Judge, where you can not fish without traps. At Chignik you can not get fish without a trap. It has been tried.

Mr. BOWER. The trap is not the menace to the salmon industry that the purse seine is. Undoubtedly the purse seine is the most destructive agency employed in the salmon industry in Alaska to-day.

Mr. WICKERSHAM. Destructive in what way?

Mr. BOWER. It is mobile in character. The habits of the salmon are such that they school outside the mouths of streams——

The CHAIRMAN. And they take the purse seine out there?

Mr. BOWER. The purse seine goes out to the fish and gets them. If they escape the traps they are usually free to ascend the streams for spawning purposes. The number of purse seines has increased very materially in the past few years.

The CHAIRMAN. Are there many traps now operated in Alaska by those who do not have canning establishments?

Mr. DORR. Not very many.

Mr. WICKERSHAM. Are there any?

Mr. DORR. Yes.

Mr. BOWER. There are a few.

Mr. MOSER. Yes.

The CHAIRMAN. But not many?

Mr. BOWER. Not many; no, sir. Some of the canneries depend solely upon traps for their pack; others upon other forms of gear.

Mr. DORR. There really are not many traps in Alaska at most.

The CHAIRMAN. That is, not many traps?

Mr. DORR. Comparatively speaking. How many would you say, Mr. Bower?

Mr. BOWER. There were 132 stake traps in operation last year and 20 floating traps, as against a total of 107 traps the previous year. There was quite an increase.

The CHAIRMAN. Just about as many traps in all Alaska as were operated in the Puget Sound district?

Mr. WICKERSHAM. But they are increasing rapidly.

The CHAIRMAN. Yes; they are increasing.

Mr. BOWER. It is the purse seine which is the most destructive form of gear, and the conditions last year were particularly bad owing to drought. The streams were all very low during the height of the run of pink salmon in southeastern Alaska, and it was absolutely impossible in some instances for the fish to ascend the streams; so the purse seiners had ample opportunity to take, it seems, almost the last fish from those waters. These were fish that for the most part had escaped the traps and were free to go up the streams for spawning purposes.

Mr. DORR. This fight against the trap has been going on, to my certain knowledge, for 20 years, and whenever it has been analyzed and run down to its real source it has always been found to be a labor question. A trap fishes in the night when the man sleeps; it employs less men than other kinds of gear; it is a labor-saving device, and this is the real reason why traps are assailed.

Mr. WICKERSHAM. A purse seine requires more labor?

Mr. DORR. A purse seine requires more labor and more men, and therefore the purse-seine men are bitter enemies of the traps, and the gill-net men are enemies of the traps, and men like Mr. Madison, who testified here the other day, who do not have any traps, are enemies of the traps, because they use the other kinds of gear.

That is the history of the matter for 25 years on the Columbia River. They have been fighting traps on Puget Sound. They have had investigations by the United States Bureau of Fisheries time after time. They have had legislative investigations, and they have

always run down this labor question. That is the real foundation of the whole objection to traps, in my opinion.

It stands to reason that if you take a million fish out of the sea it does not make any difference to the fish how you catch them, whether with traps, gill nets, or seines, or with the hook and line. What these people want and what they are entitled to is an effective means of catching fish while they are allowed to fish. If you want to put restrictions as to the time they shall fish, that is another question; but when they do fish they ought to have the liberty to catch the fish. That is what they go up there for.

Mr. WICKERSHAM. But, Senator, if a bill passes giving you the right to build on this ground, with an exclusive franchise, no gill netters or anybody could get on it.

Mr. DORR. Judge, it is a physical impossibility to build these traps in most places where gill nets operate. In Bristol Bay, where the gill nets operate more extensively than any other place, there are not any traps to speak of, and the water has been free; the license has been free, and there has been no restriction on them under the law.

The CHAIRMAN. Why is it, Mr. Dorr, that the traps do not operate where gill nets are used?

Mr. DORR. On account of the physical conditions—for instance, where the water is muddy gill netting is successful; where it is clear, fish won't "gill." On the other hand, fish will not lead into a trap in muddy water; they want clear water to successfully fish with traps. There are many local conditions which determine the gear which shall be used. Where they have good seining beaches, clean beaches, they use drag seines, etc.

The CHAIRMAN. So that your contention is that the territory where you really use traps would not be really available for the use of nets and seine?

Mr. DORR. The territory where they use traps is absolutely worthless for gill netting, with slight exceptions.

Mr. WICKERSHAM. Could you not put a trap in at Karluk?

Mr. DORR. They never have. I do not think they could hold a trap there on account of the tides and currents. I do not think a trap would stay in there.

Mr. MOSER. No, I think not. It is an open roadstead, and they have gales of winds there that have wrecked many vessels. A trap would never hold.

I may add to what Mr. Dorr has said that the topographic features of Alaska generally are not well adapted to traps. The Bristol Bay region and the Bering Sea region are not well suited for traps. These traps are all in shoal water, where gill nets could not be operated. In Cooks Inlet they are similarly situated. The pots are ordinarily high and dry at low water. They have been extending some of them a little during the past few years, but the pots probably are mostly awash at low water.

In Chignik, in western Alaska, the water is shoal and so cut up by banks that gill-net fishing is not feasible, nor is seining, on account of lack of beaches. At Icy Strait they have of late years been fishing with traps quite extensively. That is the only place I know of in Alaska that is well adapted for trap work. In southeast Alaska as a rule the water is very deep close up to the salient points where traps

are usually located. The bottom is rocky and, as a rule, it is not feasible to drive traps.

Mr. WICKERSHAM. You could use floating traps, could you not?

Mr. BOWER. Floating traps have come into quite general use.

Mr. MOSER. A floating trap has its limit. It is a difficult matter to hold a floating trap. You have to have an enormous amount of gear to hold those traps.

The CHAIRMAN. This limitation on the assignment of a trap unless the licensee is the owner of a cannery or something of that sort would not have that tendency, Mr. Bower. You do not desire to confine the traps to the cannery people?

Mr. BOWER. That was not our intention in drafting that section.

The CHAIRMAN. If there is any particular risk about operating the traps it seems to me that would deter an individual from locating one, and that would leave it open to the cannery people.

Mr. WICKERSHAM. He could not operate with it.

Mr. BOWER. Of course he could sell the fish from that trap.

The CHAIRMAN. I know; but suppose in the middle of the year something happens that a licensee can not keep on. He has to stop; he can not transfer it. He simply has to abandon it.

Mr. MOSER. The trap costs a great deal of money to build. People are not going to locate traps unless they see returns from them.

Mr. DORR. Why should not he have the right to dispose of the trap, Mr. Bower, if he has taken it up. Suppose he wants to move away?

The CHAIRMAN (addressing Mr. Bower). It impresses me that your provision will operate in the opposite way from what you really want it to. That is the way I am impressed now.

Mr. BOWER. That was not the intention in drawing that section.

The CHAIRMAN. I wish you would think that over, Mr. Bower.

Mr. BROWNE. What do traps cost, Captain?

Mr. MOSER. As I mentioned the other day, the traps on Puget Sound will cost anywhere from five to nine thousand dollars complete.

The CHAIRMAN. How much do they cost in Alaska?

Mr. MOSER. Probably more, for a trap of the same size.

Mr. BOWER. But there are many small traps also there which do not cost that much.

Mr. DORR. The traps in Bristol Bay do not amount to very much. They are very small.

Mr. MOSER. All the material must be transported. The Bering Sea and Alaska Peninsula district does not even supply piles. We send every year a schooner load of piles to Bristol Bay for the few traps that we operate there, and this year sent an additional cargo of piles to Chignik.

The CHAIRMAN. Now, what other objections have you, Mr. Dorr?

Mr. DORR. The next point I want to make against the proposed bill is the abolishment of the jigger. I said something about that when Gov. Clark was testifying, and I would like to amplify it a little.

The trap is constructed for the purpose of catching fish. I do not believe that it should be crippled while it is permitted to fish. During the weekly close seasons we are perfectly willing to adopt the Government's suggestion and close the traps as they have directed they should be closed during the close seasons. We are perfectly willing to allow the spaces between the traps that they say should be left

open, but when the trap is built it ought not to be crippled so it can't fish. It is built to catch fish and it ought to be permitted to catch them. I do not believe in permitting the trap and then crippling it so as to destroy a part of its effectiveness.

The CHAIRMAN. Your idea, Mr. Dorr, is that the weekly close season and the distance apart of the traps ought to be sufficient to allow enough fish to go up the streams for spawning purposes?

Mr. DORR. Absolutely so.

The CHAIRMAN. And that your traps should be just as effective as possible to catch all the fish that there is?

Mr. DORR. Yes; while they are fishing.

The CHAIRMAN. But of course we do not know that this close season and these spaces are absolutely sufficient.

Mr. DORR. Well, we have taken the spaces as suggested by the bill with the addition that the spaces shall be left between these plots. That increases the spaces as a matter of fact over the provision in the bill.

The CHAIRMAN. I understand that.

Mr. WICKERSHAM. That would leave about one-third of the area open. I understand your plot will be 1,200 feet up and down and 4,000 feet out to sea.

Mr. DORR. With spaces of 1,800 feet between the plots.

The CHAIRMAN. Have you any additional suggestions about that, Mr. Bower?

Mr. BOWER. The farther the traps are from one another the better opportunity the fish have to escape.

The CHAIRMAN. I mean as to the jigger.

Mr. BOWER. I do not believe I can add anything just now to what has been already said. I think Dr. Evermann gave a very good idea of what the jigger is in our estimation.

The CHAIRMAN. He covered that subject very well indeed.

Mr. DORR. It is shown by the record that has been made in these hearings that in Alaska the traps catch less fish than the gill nets and less fish than the seines, according to the report of the Bureau of Fisheries.

The CHAIRMAN. This is the fact, is it not, Mr. Dorr—with the jigger of the fish that strike the lead of the trap there are few of them which get up the stream?

Mr. DORR. Oh, no; that is not a correct statement of the fact, Senator, that very few of them get up. The fact is that the jigger aids the trap in catching the fish that approach the trap. There is no doubt about it; that is what it is there for.

The CHAIRMAN. Yes.

Mr. DORR. But there is a great quantity of fish that never approach the traps, that get by; although not so many escape with the jigger as without the jigger. As I illustrated the other day, the jigger is equivalent to the barb on a fishhook. It is the effective thing that helps to catch the fish.

The CHAIRMAN. It strikes me that it is a little bit different from that. That is something I have never had on a fishhook yet. It is something that gets fish onto the hook. That is the point. The jigger works the fish until they get into the trap. It helps them to get in. That is what it is analagous to, as I understand it.

As I understood Gov. Clark, his contention was that the jigger practically caught all the fish that come against the lead. That is, they follow the lead down to the trap and those fish which do not enter the funnel of the trap strike the jigger, which throws them around against the lead again.

Mr. DORR. Traps would be, on an average, 2,400 feet apart under our suggested plan. That is the way it would work out. If they are 2,400 feet apart laterally and 300 feet apart endwise, don't you think a great many fish will go through those openings?

The CHAIRMAN. Oh, yes. I was not referring to that. What I was referring to, Mr. Dorr, was this: Suppose a run of fish comes along just near enough to the shore to hit the lead to a trap. They work down that lead to the opening of the trap. Those that miss the opening run against this jigger and are thrown around against the lead again.

Mr. DORR. Some of them are.

The CHAIRMAN. Well, most of them are. That is, as I understand it. That is the contention; that most of them are.

Mr. DORR. No, I would not say that. Dr. Evermann estimated that the jigger increases the efficiency of the trap 30 per cent. I do not think any human being knows exactly what that percentage would be.

The CHAIRMAN. Probably not. Do you think that is too high an estimate for the efficiency of the trap?

Mr. DORR. No; I do not think that is too high. I do not know, and I do not think anybody knows.

Mr. BOWER. The statement was made by Mr. Barron, who operates about 15 traps in southeastern Alaska—in fact his pack is derived solely from traps—that the jigger increases the efficiency of the trap 30 per cent. Now it occurs to me that if the abolition of the jigger simply means that the cannery man will have to construct 30 per cent more of traps, it is inflicting an unnecessary hardship upon him.

Mr. BROWNE. Mr. Bower, may I interrupt you just one moment. You leave there very large spaces laterally and endwise between the traps for the purpose of allowing the fish to go up the river to spawn. Your fish trap is theoretically built to catch the rest of the fish that come within the limits of that trap, and any appliance on that trap which catches the fish is appurtenant to that trap and intended for that purpose; and the great spaces between the traps are intended to be kept clear so that the fish may go through.

Mr. WICKERSHAM. Yes; but is not it a fact that the fish follow a certain line in going up the stream and your trap is directly across that line in all cases and that they do not go out into the middle of the stream at all?

Mr. DORR. I have seen the sockeyes so thick in the Gulf of Georgia as to extend clear across the whole gulf from one side to another. They were almost an obstruction to navigating a small boat.

Mr. WICKERSHAM. But you do not see that of late years.

Mr. DORR. You see it every fourth year. That is the year the President is inaugurated.

Mr. BROWNE. We will have an inauguration next year.

Mr. DORR. That is the time the fish are supposed to come. Whenever the President is inaugurated the sockeyes run heavy in Puget

Sound. What they will do next year I don't know; they may not be satisfied with the election.

Mr. WEBB. I want to ask you a question. In a fish trap or a weir, as we call it on the Atlantic coast, do they have jiggers?

Mr. DORR. They do now.

Mr. WEBB. Is the jigger peculiar to all of them?

Mr. DORR. No. They use them right here on the Potomac River, and all along the Atlantic coast. It is not every trap or weir, however, that requires a jigger; that depends upon local conditions.

Mr. WEBB. That is what I meant. Is it an appurtenance that depends upon local conditions?

Mr. DORR. I tried to explain before that these traps are built in different positions, they are built in different shapes at different places. Some of them are straight, practically straight; some of them are built crescent shaped; others are built at obtuse or right angles.

The CHAIRMAN. Which kind of trap would you put a jigger on?

Mr. DORR. Perhaps on any one of them. It might be that this, that, or the other trap would not require a jigger at all. It depends upon the way the current sets and the way the fish strike the trap. Those local conditions determine the need. Frequently the fishermen have to experiment for years in some localities to learn how to set a trap. I know a man who spent \$5,000 building a trap on Puget Sound one year and he did not catch enough fish to eat out of it.

The CHAIRMAN. Why was that?

Mr. DORR. Because it was set at a little different angle than it should have been.

The CHAIRMAN. Were the fish running?

Mr. DORR. The fish were running so thick around there that it made him crazy to see them.

The CHAIRMAN. What proportion of the traps in Alaska now have jiggers?

Mr. DORR. I do not know. Do you know, Mr. Bower, what proportion of these traps have jiggers?

The CHAIRMAN. That is, those that are in Alaska now?

Mr. BOWER. I really can not say what proportion.

The CHAIRMAN. Do you think it would be half?

Mr. BOWER. Possibly half the traps in southeastern Alaska now have jiggers of varying lengths.

Right in that connection I think that if the committee in its wisdom decides to allow jiggers on traps there ought to be a limit placed on the length of the jigger.

The CHAIRMAN. What limit would you suggest?

Mr. BOWER. Well, conditions vary; but I should say that 100 feet would be ample.

The CHAIRMAN. That is, that the jigger should not extend out more than 100 feet from the trap proper?

Mr. BOWER. Yes, sir; and perhaps that is too much.

The CHAIRMAN. What would you say to that, Mr. Dorr?

Mr. DORR. Well I really do not know, but I think 100 feet too short.

The CHAIRMAN. Well, what would you say to that, Capt. Moser?

Mr. MOSER. I do not know, Senator. I think 100 feet would be rather short myself. Suppose you look at this blue print I have of

our traps, which gives the sizes. Of course, as Mr. Dorr says, there are all sizes and shapes of traps. This is the regular Puget Sound trap [indicating]. This trap would cost several thousand dollars to build. I heard some one say you could build a trap like this for a couple of hundred dollars. I would like to make a contract with him to do that for us. Here [indicating] is the jigger. You see it is 250 feet long.

The CHAIRMAN. What is that [indicating]?

Mr. MOSER. That is what they call the hook. It is also a jigger; it is the same thing.

Mr. DORR. This provision in section 4 of the bill as drawn would abolish this hook. It would cut it off there and it would cut it off here [indicating].

Mr. BOWER. But you can readily see that a fish coming to this section of the trap, as shown by this blue print, stands very little chance of ever getting out again.

Mr. WICKERSHAM. They don't want him to get out.

The CHAIRMAN. If the main run of the fish comes along here and gets in there it seems to me that practically none of them will get away; while if you had it here [indicating] I can see how a great many would work around the corner there and get away and go on up the stream.

Mr. BROWNE. The chances are remote, Senator, that that trap will intercept all of the coming fish.

The CHAIRMAN. What I am talking about is that all that get in there would be caught.

Mr. BROWNE. Yes; I guess that is the idea.

The CHAIRMAN. Of course there may be considerable space between the trap and the shore.

Mr. DORR. The lead extends out here 2,500 feet. This blue print is exaggerated.

The CHAIRMAN. Mr. Bower, when you say the jigger should not be more than 100 feet long, do you mean all these sides in the aggregate should not be more than 100 feet?

Mr. BOWER. The aggregate length is what I meant. It is often the custom to build jiggers in a curved form to intercept the fish and cause them to mill.

The CHAIRMAN. Well, I suppose we have about all the facts with reference to that that we can get. The question whether we shall do away with the traps or not will have to be decided later.

Mr. DORR. We had this jigger question up as an international one when the International Fisheries Commission was working on a plan to turn our border waters over to international control. The commissioners finally agreed to let the jigger alone.

The CHAIRMAN. What other objection to this section 4 have you, Mr. Dorr?

Mr. DORR. Those are the main objections. I have attempted to redraw that section.

The CHAIRMAN. Well, you and Mr. Bower and the Fishery people will have to look after that section, and if you can reach an agreement on the main features of it, you can submit it to the committee.

Mr. BOWER. I am sure we shall be very glad to have the benefit of Mr. Dorr's experience.

Mr. DORR. I would like before getting too far away from section 1 to suggest that this Alaska fishing is a very hazardous business. I have a little statement here, showing the losses of vessels and lives that have occurred in the salmon business in Alaska since this present law was put into effect. That is, including 1906 and down to date. I obtained this statement from the reports of the Bureau of Navigation in this city.

The list shows a loss of seven vessels, the smallest one with a tonnage of 348, which was a small schooner sent up for salting purposes while the largest ship lost was up to nearly 2,000 tons, or a total of 10,557 tons of ships. And with those ships there were 115 people who perished in the sea.

Mr. WICKERSHAM. There was one wreck which was particularly disastrous to human life. Which was that?

Mr. DORR. There was one very terrible one. That was the *Star of Bengal*.

Mr. WICKERSHAM. How many people were drowned on that vessel?

Mr. DORR. One hundred and twelve on that one ship.

Mr. WICKERSHAM. Out of a total of how many?

Mr. DORR. A total of 115. There were 3 lost with another ship.

Mr. WICKERSHAM. That ship was lost coming away from the fishing ground?

Mr. DORR. Yes; coming away from Wrangell.

Mr. WICKERSHAM. As she was going to sea?

Mr. DORR. Yes; as she was going out to sea. She broke away from her tow in a gale and went on the rocks and was lost.

Mr. WICKERSHAM. And a great number of Chinamen were drowned?

Mr. DORR. Yes; and white people too.

Mr. WICKERSHAM. How many.

Mr. MOSER. I think there were only 10 or 12 white people drowned at the time.

THE CHAIRMAN. Do you know whether the storm was on when they left Wrangell?

Mr. DORR. No; they got into it. There was a white foreman who was drowned and 10 or 12 other white men.

Mr. MOSER. Yes; there were 10 or 12; not exceeding that number.

Mr. WICKERSHAM. And about 100 Chinamen?

Mr. MOSER. Yes; about 100 Chinamen. It was a fair day; the weather was good; but storms on the Alaskan coast come up very suddenly. After they had passed out of the headland a squall came up and increasing in violence the tugs were unable to hold the vessel against the gale. The vessel drifted ashore.

Mr. WICKERSHAM. Aside from that there have been but three men drowned in Alaska in fishing?

Mr. DORR. There have been lots of them drowned.

Mr. WICKERSHAM. I mean to say on board ship. That one incident caused the greatest loss of life?

Mr. DORR. That is the most terrible one.

Mr. MOSHER. How far back does that record go?

Mr. DORR. It goes back to 1906. There have been a great many before that. Have you the records in your office?

Mr. MOSER. We have a complete record of all the shipwrecks in Alaska. We compile that history very carefully and I have sent for a copy of it which will be appended.

Mr. DORR. This other vessel that carried the three other men to destruction was lost at Karluk Beach.

Mr. WICKERSHAM. How did that happen?

Mr. DORR. A storm came up and drove the vessel ashore. Those men were lost in the wreck.

The CHAIRMAN. The vessel was destroyed?

Mr. DORR. The vessel was destroyed; it was a total loss.

Mr. MOSER. The vessel broke up in about four hours.

Mr. DORR. I think there have been four ships lost at Karluk, as I can remember.

Mr. BOWER. That was the *Servia*?

Mr. MOSER. It was the *Servia*. She was a very stanch vessel and had very heavy ground tackle. She broke away from her anchors.

Mr. DORR. The one Mr. Madison spoke about was the ship *Columbia*; she was lost in Unimak Bay in 1909.

Mr. WICKERSHAM. How many salmon did the *Star of Bengal* have on board; how many cases?

Mr. DORR. I have forgotten; but I do not think there was over 60,000.

Mr. WICKERSHAM. Was it not about 40,000?

Mr. MOSER. Forty thousand would be nearer the amount.

Mr. WICKERSHAM. That is my recollection of it.

Mr. MOSER. I think it was an off season that year.

Mr. DORR. I do not remember the number of salmon, but judging from what that place turns out I should think it would be more than that.

Mr. MOSER. I think it was an off season that year. You were out there at the time, were you not?

Mr. DORR. No; I was East at the time it happened.

The statement is as follows:

List of sailing vessels lost in Alaska salmon trade since 1905.

[From Reports of Bureau of Navigation.]

Names.	Gross tonnage.	Dates lost.	Lives lost.	Places.
Schooner Excelsior.....	348	Aug. 30, 1906	.....	Nelson's Lagoon.
Ship John Currier.....	1,945	Aug. 9, 1907	.....	Do.
Bark Servia.....	1,866	Nov. 6, 1907	3	Karluk.
Ship Columbia.....	1,471	Apr. 30, 1909	.....	Unimak Bay.
Ship Lucile.....	1,402	Aug. 19, 1908	.....	Ugashik.
Bark Star of Bengal.....	1,877	Sept. 20, 1908	112	Coronation Island.
Ship Jabez Howes.....	1,648	Apr. 7, 1911	.....	Chignik.
Total.....	10,557	.....	115	

Mr. DORR. I will also ask leave to put in the record the list of salmon shipwrecks referred to by Capt. Moser as having been compiled by the Alaska Packers' Association, which follows.

Alaska wrecks (salmon vessels)—Continued.

CENTRAL ALASKA.

Year.	Rig.	Vessel.	Tons.	Length.	Breadth.	Depth.	Location of wreck.	Loss.
		TOTAL LOSSES.						
1867	Bark.....	Washington.....					Cook Inlet.....	\$50,000
1890	.....do.....	Corea.....	565				.....do.....	51,000
1907	Launch.....	Odiak.....	7	40.0	10.0	4.0	Prince Williams Sound.	3,000
		Total.....						104,000

SOUTHEASTERN ALASKA.

		TOTAL LOSSES.						
1908	Bark.....	Star of Bengal.....	1,877	262.8	40.2	23.5	Coronation Is-land.	\$330,000
		PARTIAL LOSSES.						
1895	Steamer.....	Chilkat.....	138				Ketchikan.....	8,000
1905	.....do.....	Edith.....	192	120.0	24.0	9.0	Admiralty Is-lands.	3,500
		Total.....						11,500
		Grand total ..						341,500

AT SEA.

		PARTIAL LOSSES.						
1885	Barkentine..	Marion.....					At sea.....	\$20,000
1894	Schooner....	Carrier Dove.....	707	188.7	39.0	14.2	.....do.....	11,500
		Total.....						31,500

RECAPITULATION OF LOSS.

	Total loss.	Partial loss.	Totals.
Bristol Bay.....	\$561,150	\$31,300	\$592,450
Alaska Peninsula.....	364,000		364,000
Kodiak Island and vicinity.....	559,400	99,000	658,400
Central Alaska.....	104,000		104,000
Southeastern Alaska.....	330,000	11,500	341,500
At sea.....		31,500	31,500
Total.....	1,918,550	173,300	2,091,850

SAN FRANCISCO, May 24, 1912.

The CHAIRMAN. We will close now. We will meet Wednesday night, if possible, at 8 p. m.

Thereupon, at 10.30 o'clock p. m., the subcommittee adjourned until Wednesday, May 29, at 8 o'clock p. m.

WEDNESDAY, MAY 29, 1912.

COMMITTEE ON FISHERIES,
UNITED STATES SENATE,
Washington, D. C.

The subcommittee met at 8 o'clock p. m.

Present: Senators Jones (chairman), Bourne, and Overman.

Also appeared: Dr. Barton W. Evermann, Chief, Division Alaska Fisheries, Bureau of Fisheries, and Mr. Ward T. Bower, assistant agent, Alaska salmon fisheries. Also Messrs. John Sidney Webb, Aldis B. Brown, Charles W. Dorr, and J. F. Moser.

STATEMENT OF MR. CHARLES W. DORR—Resumed.

Mr. DORR. I now desire to speak briefly upon one feature that is made prominent in the bill under consideration and to enter an objection to that principle, not only in this bill, but generally in all legislation. I say this with all due respect to Dr. Evermann and all of the other officers of the Bureau of Fisheries who are charged specifically with the enforcement of these laws. I do not say it in any spirit of criticism of them or any of them because I believe that they personally would, if they had the making of the law themselves, attempt to do what is right and fair and just; but they are not always going to be there.

Regardless of the personnel of any department or any bureau, I have a most serious objection to any system of legislation that delegates the power to make the laws that the Constitution has lodged in Congress to an executive branch of the Government. I do not think it ought to be countenanced. I do not think it is the proper function of Congress to turn over its responsibility in lawmaking to any of the executive departments of our Government, and the provisions in this bill that seek to do that are therefore, I think, very objectionable.

The CHAIRMAN. What provision is that, Mr. Dorr? I ask this so that it will appear in the record at this point.

Mr. DORR. The principle is embraced in section 7, where it confers upon the Secretary of Commerce and Labor the unlimited power to set aside——

The CHAIRMAN. To set aside streams or lakes.

Mr. DORR. Yes, or any waters in Alaska in which fishing may not be carried on. That might lead to great abuses upon the one side and also to great hardships and harassments on the other side. I can imagine where, if that power was sought to be exercised, it might embarrass the bureau very much, and I can also imagine where if the power was exercised it might result in great hardship to the fishing interests. That is the first section in the act that contains this objectionable feature. There are others I will mention in a moment. That is the first section in the act where this principle of delegated legislative powers is embraced.

The CHAIRMAN. Of course, I do not think there will be any issue with you at all with reference to the importance and the necessity of Congress laying down these propositions of legislation just as fully as possible and wherever and whenever possible. I am not, myself, in favor of leaving to the department any more than is absolutely

necessary to carry out the principle of the legislative provisions of the bill.

Mr. DORR. We have no trouble in the States under the State law, in operating fisheries, because the legislatures say when we may fish and where we may fish and when we may not fish and where we may not fish.

The CHAIRMAN. Take for instance a bill of this kind, there is nobody in Congress and no Senator and no Representative who is very familiar with the conditions in Alaska. Most of them are thousands of miles away, and most of them have never been there. For example, take the provision here with reference to limiting fishing on a particular stream. I do not see how Congress can possibly pass any proposition like that.

Mr. DORR. I do not object to a reasonable limit, providing it is limited in the law; but the way this section is drawn there is no limitation at all.

The CHAIRMAN. But if Congress fixes a limit and it is found that the limit is too restrictive, the difficulty is in getting legislation to correct the evil, because there is nobody——

Mr. DORR. Certainly, Congress is not being asked to circumscribe the limit which now exists. That is, to reduce the distances. The thing that is suggested by the bill is that the limit be taken off, that it be left absolutely open to the discretion of the department to say where we may fish and when we may fish.

The CHAIRMAN. Well, is there a stream in Alaska now where fishing should be prohibited? Congress does not know.

Mr. DORR. If there is, Senator, under the present law the Secretary of Commerce and Labor may close the streams—under the law as it now exists. He has exercised that authority in at least one instance. We do not object to that; we are not complaining about that.

The CHAIRMAN. What is the particular proposition in section 7 to which you object?

Mr. DORR. The particular objection to section 7 of the bill is that there is no distance at all prescribed where his jurisdiction to close the waters stops. He might close the entire Bristol Bay or the entire waters of Alaska, just as the President of the United States closed the entire Alaska coal fields by an Executive order (in the face of the acts of Congress opening them to settlement and development) and shut up the whole of Alaska. If it could be done in the case of coal lands why could it not be done in the case of fisheries, especially if the law would permit? Nobody contends that the fish should not be caught. The only point involved is that they should be caught in such a way as not to unduly interfere with natural reproduction. That is the only question in this case.

The CHAIRMAN. The question is how best can that be accomplished? You think that section 6 which corresponds with section 7 is sufficient?

Mr. DORR. Yes, sir; I am satisfied to leave the present law alone.

The CHAIRMAN. Section 6 of the present law, which corresponds with section 7 of the proposed bill. You think that section as it is now is sufficient?

Mr. DORR. I think the present law is sufficient, but as stated the other day, we are perfectly willing to add another 100 yards to make the limit 600 yards instead of 500 yards.

The CHAIRMAN. I think we get your position with reference to that.

The same objection runs through section 12 of the bill. As a lawyer I appreciate the construction that would probably follow, if this section was passed just exactly as drawn. Dr. Evermann has explained, however, that it was not so intended, and the matter should not be left in doubt. I think that, technically speaking, section 12 of the bill limits the Secretary of Commerce and Labor to the right to make rules and regulations covering shellfish and other aquatic animals not otherwise mentioned in this act. That would exclude his power to make regulations and rules covering the salmon fisheries, but that was not the intention. That is simply perhaps due to an oversight in the draft of that section. The clear intention is to give the department *carte blanche* power to make rules and regulations governing the entire fishing industry. Is that right, Doctor?

Dr. EVERMANN. Yes, sir; to make regulations under the law. Of course it was not intended that the Secretary should have the power to make regulations for these things alone, but for all aquatic inhabitants.

Mr. DORR. Yes, I understand, and I am absolutely opposed to the delegation of the power to the department to make laws.

The CHAIRMAN (addressing Dr. Evermann). Did you have seals in mind, Doctor?

Dr. EVERMANN. No, sir; we did not have seals in mind because they do not come within the 3-mile limit, and are fully covered by existing law.

Mr. WEBB. But hair seals would.

Dr. EVERMANN. We had hair seals in mind, certainly, but not the fur seals. I may say, so far as the hair seals are concerned—the harbor seals in Alaska—they are not so abundant as to be of any great commercial importance one way or the other, and it would be for the purpose of providing that protection which would be necessary to preserve them as a species of animal or in the event that they might come to be of some considerable commercial importance.

The CHAIRMAN. What is the commercial importance of the hair seal?

Dr. EVERMANN. It is very little.

Mr. WEBB. The leopard seal is coming into vogue.

Dr. EVERMANN. The hair is worth something; the oil is worth something; but so far they are not of any great importance commercially.

Mr. WEBB. I was told that the leopard seal is becoming quite fashionable for automobile robes.

Dr. EVERMANN. They are of some value.

Mr. DORR. I believe that the true function of the Bureau of Fisheries, and it is certainly a most important one of the Government, is in the line of fish culture—the scientific and biological end of the work. I do not believe that the Bureau of Fisheries should be burdened with or charged with the duty of acting as a police force. I think that belongs to another branch of the Government. I believe that the best results would be attained by the bureau if it and its efficient corps of employees is encouraged, as they should be, in the line of scientific work—the cultivation of the fish, not only in Alaska but elsewhere in the United States. Alaska covers a very small part of

their field for activity. Their jurisdiction extends throughout the entire United States.

I do not believe that it is good policy to burden them with the duty or to give them the privilege of making laws or enforcing the laws. That ought to be left to the legislative department of the Government, so far as the making of the law is concerned, and to the peace officers, the police department, so far as the enforcement of the laws is concerned. Of course, the bureau must have the power to inspect and to make such rules and regulations as may be appropriate and necessary within the limits of the law to carry out the details of the law; but to open the field and say that the Secretary of Commerce and Labor can, at his discretion, close any fishery in Alaska or any other place over which they have jurisdiction without an act of Congress would be to my mind a very unwise step.

I think there is too much government going on now through the Federal bureaus and I do not want to see the Fisheries Department contaminated with that virus. I think they have a great and a noble work to perform, and I believe they should be encouraged in that work and not loaded up with these discretionary powers which have made so much trouble in this country in other branches of the public service.

While I am discussing the Bureau of Fisheries, permit me to say that I think Congress ought to give them more help than the mere paltry sum of six or seven thousand dollars a year in Alaska. They have stated here that that was the total amount of their appropriations for all their work there, aside from the two hatcheries, and it seems to me grossly inadequate.

Dr. EVERMANN. May I be permitted just a word in this connection, Mr. Chairman?

The CHAIRMAN. Certainly, Doctor.

Dr. EVERMANN. Referring to the adequacy of section 6 of the present law to cover the requirements of the situation, that empowers the Secretary of Commerce and Labor to restrict, limit, or prohibit fishing entirely for one year or more within any stream or within 500 yards of the mouth thereof.

Now, as a matter of fact, when you come to examine that carefully it means this—that Congress has said that the only danger to the fish in any stream lies either within that stream or within a distance of 500 yards of its mouth, and that that stream can not be injured as a fishery stream by any fishing which may be carried on 600 yards or any number of yards exceeding 500 from the mouth of the stream. Of course, the mere statement of that fact shows its absurdity. The places off the mouths of the different streams where fishing might be carried on to the injury of the stream vary as to distance from the stream mouths, and no one, I suppose, would undertake to say, or should undertake to say, how far from the mouth of the stream fishing may be prohibited, or how close to the mouth of the stream fishing may be permitted with entire safety to the stream.

It seems to me that is a detail which will have to be worked out. Those are facts which will have to be determined through investigation of each particular stream; and it is for that reason that it seems to me that it is essential that the Secretary shall have full authority to shift the lines from time to time as investigation shows it is necessary for the protection of the fish of a particular stream.

Recurring again to the illustration which was mentioned of Pyramid Harbor and Icy Strait. Icy Strait is a long distance from Pyramid Harbor, but it was stated, I believe, that the fishing in Icy Strait affected the fishing at Pyramid Harbor, a long distance away; and that is a possibility in many other places, undoubtedly. So it does seem to me that that is a detail which must be left to the Secretary of Commerce and Labor. Congress should say fishing is permitted in Alaska, but it does not seem to me that it can go as far as to say it shall be permitted here and not be permitted there. It seems to me that is a detail that must be worked out by those who are interested in the fisheries and those interested in their preservation.

The CHAIRMAN. That is, you think Congress can permit fishing and prohibit the destruction of fisheries, and that the details of each must be left with the department largely to be worked out.

Dr. EVERMANN. It seems to me so. Whatever action Congress may take will certainly be intended for the preservation of the fisheries as a continuing industry, and if Congress says that fishing may not be prohibited in certain regions then it seems to me that there is a very great danger of that resulting in defeating the very purpose of the law. If we can not assume that the Secretary of Commerce and Labor or whatever Government department is charged with the administration of this law—if we can not assume that his only interest will be the preservation of the fishery, then I do not know where we are. I do not know what you can bank on.

Mr. DORR. I will take the Pyramid Harbor case to which Dr. Evermann has referred as one of the best illustrations why this new provision should not be enacted into law—the very instance that the doctor has mentioned. It is a well-known fact among those of us who are familiar with fishing in that district that the fishing in Pyramid Harbor of late years has very materially fallen off. Now he states the cause.

From 90 to 150 miles away, farther out toward the ocean, other and more enterprising people have gone out there and intercepted these fish, and that is the reason the supply in Pyramid Harbor and Chilkoot and Chilkat both have shown signs of diminution. That is, the fish on the ground are decreasing, owing to the fact that the fish that would come up there if permitted are caught in the waters by somebody else before they reach Pyramid Harbor.

Now, it might come to pass under such a law, if enacted, that in order to replenish the fishing at Pyramid Harbor, the department should go out to Icy Strait 90 or 150 miles away, and close up that fishery. That is exactly the result of the reasoning that might be worked out into an executive order, and while it might benefit Pyramid Harbor it would work a terrible hardship to the men who have developed the fishing in Icy Strait.

The CHAIRMAN. Your idea is, Mr. Dorr, that the fact that the fish in Pyramid Harbor are growing less does not prove that there is an actual diminution in the number of the fish, owing to the fact that they are caught at a different place.

Mr. DORR. The same fish are caught before they get up to Pyramid Harbor, and more of them of late years have been caught. The situation is the same as if they were coming up the Straits of Fuca—a body of water you and I are more or less familiar with—and were caught out in the straits or out at the mouth of the straits, instead of

among the islands and in the small bays of the sound there, would be less fish in shore. Those same identical fish which would come to the shore at Pyramid Harbor are intercepted 90 or 150 miles away from Pyramid Harbor and are there caught; the statistics show that whilst Pyramid Harbor has gone down to nearly nothing, and that the canneries have been closed up there, the fisheries out in Icy Strait have been built up and are now packing more fish than Pyramid Harbor ever did pack. It is true that has worked a hardship upon some people in Pyramid Harbor, but it is only due to the industry and enterprise of those people who have gone out and intercepted these fish.

The CHAIRMAN. I was going to ask if that does not work a hardship on the smaller fisherman?

Mr. DORR. Not at all, because the small fellows who went out to the front left the Alaska Packers' Association high and dry at Pyramid Harbor; that is the big concern in this instance. It is true the Alaska Packers' Association had a cannery in Pyramid Harbor which they have closed up and abandoned because these little fellows have gone out ahead of them. That is a fact, is it not, Captain?

Mr. MOSER. That is true.

Dr. EVERMANN. Let us assume as a fact what Mr. Dorr has stated, that these fish which were caught in the vicinity of Pyramid Harbor in more recent years have been caught in Icy Strait. They are on their way to Chilkat and Chilkoot Rivers. It is easily conceivable that fishing may have been carried on so vigorously in the Pyramid Harbor region as to prevent any salmon ascending Chilkat or Chilkoot Rivers for spawning purposes. It is equally conceivable that the fishing might be carried on in the Icy Strait region to such an extent as to prevent any salmon whatever going up either Chilkat or Chilkoot Rivers. Now, does it make any difference, so far as the effect upon the spawning beds of the Chilkat and Chilkoot Rivers are concerned, whether the fish which are headed toward those streams are caught in Icy Strait or in the Pyramid Harbor region? The effect is just the same. If the fish which ascend the Chilkat and Chilkoot Rivers are caught at points many miles away it seems to me that if you are going to protect the spawning beds of those rivers you must stop the catching of at least a portion of the fish that are headed for those streams wherever they are being caught, whether at Pyramid Harbor or in Icy Strait.

The CHAIRMAN. What is the idea of having the fishing excluded within 500 yards of the mouth of a stream, Doctor?

Dr. EVERMANN. Well, I think that was more or less of a compromise.

The CHAIRMAN. Or within 600 yards, as proposed by Mr. Dorr?

Dr. EVERMANN. I suppose that was based upon the assumption that, in the majority of cases, it would afford adequate protection, but I think——

The CHAIRMAN. What I wanted to get at is this, How does that provision afford protection to the fish?

Dr. EVERMANN. It would afford it in this way: As the fish get closer to the mouth of the stream they become more concentrated. That is, they pile up; they are not so dilute. There are more fish to the cubic rod of water, and therefore more would be caught by hauling

a seine through a certain quantity of water there than if it were hauled farther away.

The CHAIRMAN. Take, for instance, this region of which you have been talking—the Pyramid Harbor region and Icy Strait. Are the fish concentrated where the fishing is carried on there?

Dr. EVERMANN. Whenever the fish come into any strait they are more or less concentrated.

The CHAIRMAN. And not so much so where the strait widens out?

Dr. EVERMANN. No, sir; not so much so.

Mr. DORR. I think you are mistaken. Icy Strait is a great, wide body of water.

Dr. EVERMANN. His point was that after the fish get into the mouth of the stream they are concentrated.

The CHAIRMAN. I wondered why the fish were caught now down at Icy Strait instead of allowing the fish to go up a little farther.

Mr. MOSER. It is a case of one man getting ahead of another. It is just the same as on the Nushagak where formerly the fishing was done up the bay. One man gets ahead of the other and they get farther and farther out and it requires more gear, because you go out farther [referring to map]. Here is Icy Strait. This shows the Lynn Canal; here is Pyramid Harbor. Icy Strait is a great wide expanse of water. Here is Pleasant Island. Many traps are off of and along that shore there.

Mr. BOWER. Two canneries are located on Excursion Inlet in the Icy Strait region.

Mr. DORR. Icy Strait is the entrance from the ocean proper and it leads up into Lynn Canal.

The CHAIRMAN. Are there any traps in here [indicating]?

Mr. DORR. They are all through Icy Strait. When I speak of these fisheries at Icy Strait being 90 to 150 miles away, you will observe the course of the Lynn Canal from its head. The cannery had to go down away out in Icy Strait to get fish for this cannery the last year they ran it and bring those fish up to the cannery simply because the other fishermen had gone out there.

The CHAIRMAN. Under this bill would the Secretary have authority——

Mr. DORR. To close up the whole water course?

The CHAIRMAN (continuing). To prohibit fishing for salmon we will say to here [indicating]?

Mr. DORR. Yes; or to here [indicating].

The CHAIRMAN. Would not that be a wise proposition, so that you would not have to go all this distance to get the fish?

Mr. DORR. They do not have to go there now, Senator, because they have abandoned the cannery.

The CHAIRMAN. Where are the canneries now?

Mr. DORR. That cannery is idle.

The CHAIRMAN. I say, where are the canneries now?

Mr. DORR. Down here [indicating].

Mr. BOWER. Excursion Inlet has two.

Mr. DORR. There is a little cannery that packs 20,000 or 30,000 cases near Haines now.

Mr. MOSER. The fish that went up Icy Strait also went up other streams. There are three great avenues.

The CHAIRMAN. Is that not the main reason for coming down here, because after the fish get to this point here, they may scatter? They come down because they can get the body of fish before they scatter.

Mr. BOWER. Where they first come in from the sea.

Mr. DORR. As Capt. Moser said, one man went out ahead of the other man and they kept going and the business worked out in that way.

Now, I want to answer the chairman's question about the provision that is contained in section 6, of the present law, namely, the 500-yard provision. Dr. Evermann has stated that it is his recollection that that was a compromise. I agree with him perfectly on that. It was a compromise; but the same provision was proposed in the bill then presented to Congress that is embodied in section 7 of the pending bill. It was submitted at the instance of the department the same as the provision that I am objecting to is now being urged by the department, i. e., that there be no limitation upon the jurisdiction of the Secretary of Commerce and Labor to close waters to fishing, and the doctor will agree with me that the House committee took the position that they would not agree to that, and we compromised by fixing the limitation; but we fixed the limitation as the department wanted it fixed at that time. The compromise was between the proposition of no limit and a reasonable limit, and we accepted what the department then insisted upon as a reasonable limit. They receded from their original stand for unlimited jurisdiction.

Now, if there has been anything which has happened in the last six years to change that limitation I do not know what it is. Do you know of any instance, Doctor, where that provision has been insufficient?

Dr. EVERMANN. No; I can not recall any specific instance, but is not this true: That no one knows enough about the running of salmon in any portion of Alaska to enable him to say definitely over what portion of its route of migration fishing may be permitted in an unrestricted way without affecting the spawning beds of the stream to which those fish are going? I do not think we do. It seems to me that it would be absurd for us to take the position that you can fish with impunity and in an unrestricted way up to within a certain distance of the mouth of any one of the thousand streams in Alaska, and we think that provision will more adequately protect the fishes or the spawning beds of those thousand different streams.

The CHAIRMAN. Do you not think, Doctor, that these provisions for open or close seasons, weekly close seasons, and so on, would be sufficient to allow the fish to go up?

Dr. EVERMANN. In themselves, no, sir; I think not. I think that more than that is necessary.

The CHAIRMAN. You have authority in here to extend that close season, have you not?

Dr. EVERMANN. To the Cook Inlet region; yes, sir.

The CHAIRMAN. That is confined to the Cook Inlet region?

Dr. EVERMANN. Yes.

The CHAIRMAN. Would not that provision be sufficient in that territory?

Dr. EVERMANN. I think not, sir, for this reason: The weekly close season is from Saturday evening until Monday morning and it may

not cover the entire migration route of any individual school of fish. A school of fish might enter Icy Strait right at the beginning of the weekly close season. That weekly close season might protect them from capture in Icy Strait, but by Monday morning they will be up toward Pyramid Harbor, perhaps, or up Lynn Canal toward Chilkat River, and they will be caught there exactly the same as they are caught in the Columbia River. A weekly close season there throughout the entire length of the stream is of no effect because it will save the fish in the lower part of the river on Sunday and permit them to be caught farther up on Monday. So far as the effect on the spawning beds of the stream is concerned, it does not make a bit of difference whether the fish are caught on Sunday or Monday.

Mr. MOSER. I would like to refer to a statement I have made repeatedly here. It has been proved that by judicious fish culture the fish are as abundant to-day in the Columbia River as they ever were. That is also true of the Sacramento River. I also mentioned the stream at Chignik, which produces far more salmon than it ever did, and none of these streams have been closed.

The CHAIRMAN. Yes; but we have to meet the situation that we have not got fish culture in these Alaskan streams yet.

Mr. DORR. Senator, it seems to me that nothing has developed in these hearings to indicate that we have any new situation to meet.

The CHAIRMAN. The doctor has mentioned that he has no specific information on that point.

Mr. DORR. With the six years of experience we have all had under this law, they can not point to a single instance where it is necessary right now to go beyond the limit of 500 yards under the provision in section 6 of the old law, and that being true it seems to me that until those conditions arise we ought to let the matter rest as it is.

The CHAIRMAN. You think we ought not to make any change until something develops showing that some change ought to be made?

Mr. DORR. I do not think Congress is justified in making a law without some reason for it and there certainly is no reason shown here.

Now, again, if this provision should prevail—such a sweeping one—all Bering Sea could be closed. Those fish break in through the Aleutian Islands and an Executive order could be made that no fishing should be done above Unimak Pass, for instance, all that Bristol Bay district could be put out of business. I do not say they would do it, but I say they could do it, and I say in the coal-lands case that the President did do it. He closed the entire territory, and he might close the entire salmon fisheries of Alaska with much more propriety, if the law seemed to warrant it.

Mr. BROWNE. He withdrew the coal lands.

Mr. DORR. Absolutely, and apparently, from the record, without any consideration; because it was done in the most informal manner on the mere suggestion of a subordinate of the Bureau of Geological Survey.

Mr. MOSER. I think one of the worst examples of that practice was the closing of Afognak. Two canneries were put out of business there and it cost our company \$250,000 without any reimbursement whatever.

The CHAIRMAN. And since that time the fish seem to be getting less?

Mr. BROWNE. This provision gives the power to close up all Bering Sea just the same as the withdrawal of all the coal lands, but no one has much money invested in the coal lands and there are millions invested in the Bering Sea fisheries.

Mr. DORR. Mr. Browne, some of those poor fellows had their all invested in those coal lands. Every dollar they had in the world, and they have been ruined, utterly and cruelly destroyed by the strong hand of our Government, to gratify the whim of some people who wrongfully call themselves conservationists.

Mr. BROWNE. I am speaking of the comparison of the investments.

Mr. DORR. It did not amount to millions of dollars but it was just as much to them.

I would now like to introduce a table which I will present to the committee showing an analysis of the pack of canned salmon for the last 10 years in Alaska, Puget Sound, British Columbia, the Columbia River, and the other outside rivers so called. In other words, the total pack of the Pacific coast for the last 10 years.

I want to call attention to the statistical fact that these figures do not show a diminution in the output of fish in Alaska.

Take the red salmon, which is the chief variety so considered, for market purposes, and the average output for 10 years has been 1,370,011 cases per year.

The CHAIRMAN. That is for the whole Pacific coast?

Mr. DORR. No, sir; just for Alaska. That is a 10 years' average. The pack of red salmon in Alaska for 1911—last year—of this same fish, was 1,320,705 cases; almost the exact amount of the average for the entire 10 years.

So it will be shown, with other species, there has been no diminution in the output.

The coho and the pink salmon, especially the pink salmon, have largely increased. From a mathematical standpoint these figures mean much to me because if the fish are actually caught and packed it is evidence to me that they are there. They could not be packed if they were not there.

It is true that in some places, like Pyramid Harbor, and that is a good example of it, the supply of the salmon has fallen off materially; but there is a reason for it. That reason has been explained and in most of the other cases the reasons are easy of explanation.

These fish fluctuate in their annual runs. They do not run alike every year. There will be a slack run for a year or two or three years and then a big run or perhaps another big run. There is no regularity about it. You can not measure those runs in advance, as we do in Puget Sound, for instance, where we have them working like automatic machines, coming with tremendous runs every four years with the sockeye fish and every other year with the humpback fish.

The CHAIRMAN. There is a difference in the run of sockeye salmon in Alaska and in Puget Sound?

Mr. DORR. There is a difference in their habits and what causes that difference I am not going to try to explain, because I do not know anything about it.

The CHAIRMAN. That is, in Alaska they come more nearly averaging up each year than they do in Puget Sound?

Mr. DORR. They fluctuate in Alaska, but the fluctuation is not regular.

The CHAIRMAN. I understand that, but there is not the run there that there is in Puget Sound?

Mr. DORR. They are erratic in Alaska. There is no regularity and certainty to the runs as exists on Puget Sound. Neither is there on the Columbia River. We have a peculiar condition on Puget Sound and it is beyond my comprehension.

The Bureau of Fisheries, I have been informed, is contemplating—and I hope very much they will carry it out—an experiment to be made this year by which it is proposed to transplant from Alaska a large quantity of humpback salmon eggs and liberate the fry in Puget Sound during this coming season, which is the off year, with the idea of filling in that lean year. Is that right, Doctor?

Dr. EVERMANN. I guess so.

The CHAIRMAN. So as not to have an off year there hereafter?

Mr. DORR. So as to have all years full years. I hope they will be permitted to carry out that experiment. It would demonstrate the effectiveness of hatching fish by artificial propagation beyond any question. If they can fill in those off years on Puget Sound as to humpback salmon, they will have accomplished wonders.

I will show you from this statement of the pack how the humpback salmon run on Puget Sound. In 1902 there were none; in 1903, a good big pack; in 1904, none; in 1905, 70,000; in 1906, none; in 1907, tremendous big pack, 433,000; in 1908 there is said to have been 6,000 cases. That is a mystery, as the run comes every other year; it must have been an accident; some stray fish probably came in from Alaska.

The CHAIRMAN. In 1909 there were 370,000 cases; 1910, 108 cases; 1911, 1,046,000 cases.

Mr. DORR. 1911 is the last year and produced the largest pack.

The CHAIRMAN. That is the largest you have ever had?

Mr. DORR. Yes; that is the largest we have ever had.

The CHAIRMAN. Now, Mr. Dorr, that is so marked an increase that I would like to ask about it. Was there such a great increase in the capacity of the canneries?

Mr. DORR. No; there was not any increase in the capacity of the canneries.

Mr. MOSER. You are speaking of 1911?

The CHAIRMAN. Yes.

Mr. MOSER. It was an absolute failure. We did not have half a pack of sockeyes in Bering Sea.

Mr. DORR. We are speaking of Puget Sound.

The CHAIRMAN. Yes; we are speaking of Puget Sound.

Mr. MOSER. I thought you were speaking of Alaska.

The CHAIRMAN. The highest pack before was 433,000 cases, while in 1911 there was over 1,000,000 cases. What is there to account for that tremendous increase over the highest preceding pack?

Mr. DORR. You must ask some of the scientific gentlemen. I can not account for it. Whenever we establish a theory, the fish come along and explode it.

Mr. BOWERS. It may be accounted for by the increase in the amount of fishing gear.

The CHAIRMAN. That was what I was going to ask.

Mr. DORR. But there was no increase in gear in proportion to the increase in fish.

Mr. MOSER. The demand for salmon was so great last year that formerly where we did not pack many humpback on the Sound, everyone put up all he could get of the humpback. Under ordinary conditions, we would not take over 75,000 cases, but market conditions were such last year that we kept on fishing as long as they were there.

Mr. DORR. As a matter of fact, you cannery packed very few of those fish that came into those waters. I know you packed a good many, but, relatively speaking, there were millions and millions that escaped last year. The water was simply alive with them.

The CHAIRMAN. There was a tremendously larger run in 1911 than in any other year?

Mr. DORR. I think it was the largest run ever known.

Mr. MOSER. It was a large run.

Mr. BOWERS. But the price several years ago was so low there was not the incentive to catch humpback salmon.

Mr. MOSER. On Puget Sound, in the earlier days, they did not look with favor on a humpback pack.

The CHAIRMAN. This table shows that practically every other year there is practically no humpback fish packed.

Mr. DORR. There are none there to pack.

The CHAIRMAN. Well, what is the cause?

Mr. MOSER. You mean the humpback?

Mr. DORR. Yes.

Mr. MOSER. One of the big runs of the humpback comes when the run of the sockeye is on; 1913 will be a big sockeye run. When there are plenty of sockeyes no one bothers with the humpback. In fact, frequently when the humpback comes in during the big year they open the traps and let them go.

The CHAIRMAN. This table shows that from 1902 uniformly every other year there is a large pack. Is that because you do not pack the salmon that come or is it because the humpback salmon does not come?

Mr. MOSER. The humpback salmon only comes every other year.

The CHAIRMAN. They only come every other year?

Mr. MOSER. Yes, sir.

The CHAIRMAN. So that would account for the small pack every second year?

Mr. MOSER. Yes.

Mr. DORR. They do not run in the even years.

Mr. MOSER. This year, for instance, we are not looking for a humpback pack on Puget Sound. We will probably pack a few sockeyes.

Mr. DORR. From past experience, there will not be any humpbacks this year.

Mr. MOSER. That table shows that the humpback pack run for 1911 was quite large.

The CHAIRMAN. Oh, yes, 1,046,992 cases.

Mr. MOSER. As I have explained, it was on account of the market conditions. We knew there was no pack in Bering Sea and packed all the humpback we could get.

The CHAIRMAN. In 1909, when you packed 370,000 cases, could you have packed more cases that year?

Mr. MOSER. We could have packed humpback.

The CHAIRMAN. You could have? Was that true in 1907, when you packed 433,000 cases?

Mr. MOSER. I think so. We never favored humpbacks on Puget Sound.

Mr. DORR. Captain, you are speaking for the Alaska Packers' Association only?

Mr. MOSER. Yes.

Mr. DORR. That is the only company operating there that has not usually packed humpback salmon. You agree with me, do you not, that all the other companies on Puget Sound do take the humpback and fall fish every season?

Mr. MOSER. We do pack some humpbacks, but as a rule the humpbacks were never looked upon as being an important part of the pack.

Mr. DORR. The Alaska Packers' Association has made a practice of not packing them as a rule. The other canneries have.

The CHAIRMAN. It is a fact, however, that practically every other year there is no run of humpback salmon?

Mr. MOSER. Yes, sir, that is true.

Dr. EVERMANN. And this is an important fact, I think: It is true that the humpbacks are abundant on alternate years and scarce in the other years, and that is certainly related to the fact that the humpback lives only two years. It has been demonstrated by the Bureau of Fisheries recently that the humpback dies on its second birthday.

The CHAIRMAN. And if you can start a new supply down there on the off years there is no reason why you need not have a good supply every year?

Mr. DORR. That is what I think.

The CHAIRMAN. I should think that would be possible.

Mr. DORR. Another thing I want to call attention to in looking at this chart is the pack of humpback in Alaska during the past 10 years. You will see there is no skipping of years and no diminution of fish.

The CHAIRMAN. You do not have them every alternate year there?

Mr. DORR. No; they run more or less every year.

The CHAIRMAN. Yes that is true. If you will hand this table to the stenographer it will be printed in the record.

Mr. DORR. I will ask that it be put into the record at this point.

The CHAIRMAN. And that is the feature that you really put that table in to show, in regard to the various —

Mr. DORR. I put it in to show that there has been no diminution in any of the fish in Alaska in 10 years, according to the output—according to the returns.

The table follows.

Pacific coast salmon pack, by grades and districts, 1902-1911.

[Prepared by Pacific Fisherman, Seattle, Wash.]

KINGS, SPRINGS, CHINOOKS.

	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	Total.	Average yearly pack.
Alaska.....	59,014	47,609	41,956	42,125	30,834	43,424	23,730	48,034	40,221	45,378	422,325	42,232
Puget Sound.....	30,049	14,500	14,441	1,804	8,139	1,814	95,210	13,019	10,064	21,823	210,863	21,086
British Columbia.....	94,456	25,265	35,421	28,359	32,344	26,098	28,164	18,917	21,789	48,456	359,269	35,926
Columbia River.....	270,580	301,762	320,378	327,106	311,334	258,433	210,096	162,131	244,285	405,862	2,811,967	281,196
Outside rivers.....	53,921	19,400	59,962	52,700	45,417	11,677	28,816	27,582	85,043	106,195	490,713	49,071
Total.....	508,110	408,536	472,158	452,094	428,068	341,446	386,016	269,683	401,402	627,714	4,295,127	429,512

REDS, SOCKEYES, BLUEBACKS.

Alaska.....	1,685,546	1,687,244	1,505,548	1,574,428	1,475,961	1,295,113	1,651,770	1,705,302	1,450,267	1,320,705	13,700,114	1,370,011
Puget Sound.....	372,301	167,211	109,264	825,453	178,748	93,122	170,951	1,097,904	252,364	159,725	3,427,043	342,704
British Columbia.....	531,436	302,313	323,226	1,080,673	459,679	314,047	355,023	840,441	565,915	383,509	5,756,262	575,626
Columbia River.....	17,037	8,383	12,911	7,768	7,816	5,504	8,581	27,908	6,234	5,988	234,130	23,413
Outside rivers.....	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Total.....	2,606,320	2,165,151	1,950,949	4,088,322	2,122,204	1,707,786	2,186,325	3,671,555	2,274,780	1,869,927	23,117,549	2,311,754

COHO, SILVERSIDES.

Alaska.....	82,723	120,506	85,741	67,394	109,141	85,190	68,827	56,556	114,026	129,703	919,807	91,980
Puget Sound.....	85,817	103,450	118,127	79,335	94,497	119,472	128,922	143,133	162,755	256,123	1,291,631	129,163
British Columbia.....	.....	53,538	71,151	44,458	69,132	87,900	81,917	61,918	74,382	119,802	664,198	66,419
Columbia River.....	10,532	12,181	31,254	26,826	41,446	31,757	31,432	42,178	68,922	79,416	375,944	37,594
Outside rivers.....	51,998	48,970	91,657	64,539	86,859	96,165	64,103	51,746	92,679	91,097	739,813	73,981
Total.....	231,070	383,645	397,930	282,552	401,075	420,484	375,201	355,531	512,764	676,141	3,991,393	399,139

1 Not packed in this district.

Pacific coast salmon pack, by grades and districts, 1902-1911—Continued.

PINKS, HUMPBACKS.

	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	Total.	Average yearly pack.
Alaska	549,602	355,799	299,333	168,597	348,297	561,973	644,133	464,873	554,322	1,021,356	4,968,285	496,828
Puget Sound.....	.....	181,326	.....	70,992	.....	433,423	6,075	370,993	108	1,046,992	2,109,909	210,990
British Columbia.....	.....	125,725	136,096	113,970	168,305	118,704	176,448	146,544	34,613	305,247	725,652	72,565
Columbia River.....	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Outside rivers.....	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Total	549,602	562,850	335,429	253,559	416,602	1,114,100	726,656	882,410	589,043	2,373,595	7,803,846	780,384

CHUMS.

	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	Total pack in each district.	Average yearly pack of chums.	Grand totals all varieties.	Average yearly pack by districts
Alaska	159,849	35,052	21,178	41,972	254,812	184,173	218,513	120,712	254,218	306,823	1,597,302	159,730	21,607,833	2,160,783
Puget Sound.....	93,493	12,001	49,656	41,057	149,218	50,249	47,607	53,688	146,942	98,321	741,231	74,123	7,780,677	778,067
British Columbia.....	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	58,362	91,951	150,313	15,031	7,635,685	763,569
Columbia River.....	10,401	10,000	20,693	25,751	27,802	22,556	16,884	24,542	66,538	53,471	278,638	27,863	3,700,679	370,067
Outside rivers.....	42,314	17,366	33,050	25,925	27,677	29,249	12,473	21,987	28,341	42,224	280,606	28,060	1,511,132	151,113
Total	306,056	74,419	123,577	134,705	459,509	286,227	295,477	220,929	554,401	592,790	3,048,090	304,809	42,256,005	4,225,600

¹ In the British Columbia pack reports from 1903 to 1909 pinks and chums were not segregated.

² Not packed in this district.

NOTE.—The figures used in the compilation of this table are those of the United States Government wherever such figures are available. In instances where such figures do not exist statistics from other public and private sources, of unquestionable reliability, have been of necessity used.

Mr. DORR (continuing). I am aware that some of these places have shown diminution, and I am aware that Capt. Moser has testified that for two or three years the pack has been less at Karluk than it formerly was, but in the aggregate there has been no diminution.

I asked Dr. Evermann the other day if he would kindly furnish me with a statement of Karluk fishing for as many years back as they had record of it, and he has done so.

I would like to refer to this statement and have it put into the record. It shows the total of all kinds of fish caught and packed at Karluk and vicinity since 1882. It is a very interesting table.

In 1906 there seems to have occurred the largest pack of any year; 1906 is by far the largest in all these years. The 1905 was only about half the pack of 1906; 1904 produced only about half the pack of 1906; the pack of 1903 was only about a third that of 1906, while 1902 was as 25 is to 34 as compared with 1906. 1901 was as 28 is to 34 as compared with 1906. Now, going the other way—forward—as against 3,479,249 fish in 1906 we had in the next year 2,959,934. The next, 1908, shows a material falling off, and the next year, 1909, a much larger falling off; the next year, 1910, a material increase over the preceding year, and in 1911 a small increase over 1910 is shown.

This table illustrates what I have been trying to explain, that there is no regularity of the runs up there. Karluk has been fished a great many years, and it has been fished harder, I guess, than any other place in Alaska. Until recent years there were four or five companies operating there, all huddled up close together, and they were in fierce rivalry. They used to have some furious fish wars up there, as we call them, caulking matches, and so forth, trying to beat each other to the fisheries. If there was any place in Alaska which was hard fished it was Karluk, and yet with all that hard fishing by those four or five companies in the early years, in 1906, when there was only two companies left, we had the largest pack in the history of the business at Karluk.

Mr. MOSER. When?

Mr. DORR. 1906

Mr. MOSER. I am very glad, with your permission, Mr. Chairman, to refer again to Karluk. In fact, I had a memorandum to do so, as that seemed to be rather a point of attack. I want to say that the canneries, particularly during the early operations at Karluk and, in fact, at the present day, do not get all their fish from Karluk. That is, that the Karluk pack is not composed entirely of fish from that river.

It has been stated on several occasions that the increase or decrease of that pack on Karluk spit were indications of the depletion or otherwise of the Karluk River. In the early days they scoured the surrounding district for the fish. In later years we found, however, that making long runs for fish did not pay and the fish we have been getting of late years are more concentrated from the neighborhood of Karluk Spit than they were in the early days. That is, a larger number of our pack now comes from the spit than formerly did.

Mr. DORR. This statement that I have referred to and which I introduce is taken from the record of the fish at Karluk and vicinity and would cover all those near-by places Capt. Moser referred to.

Dr. EVERMANN. I think, Mr. Chairman, it is proper to call attention to the fact that the packers maintain a large hatchery on Karluk stream, and because that hatchery has had a beneficial effect upon the fisheries there, a portion of the showing as made by these figures should be credited to that hatchery. In the absence of the hatchery the showing would be tremendously poorer.

The CHAIRMAN. Karluk is the hatchery which we were discussing the other night.

Mr. WEBB. Delegate Wickersham said it was no good at all.

Mr. BROWNE. You think that might show the effect of the Karluk hatchery?

Dr. EVERMANN. I am not saying one way or the other. I gave my opinion regarding that hatchery the other day. If it has had any effect at all it would show in these figures. Of course, Mr. Dorr must admit that a portion of this catch of 1911, 1910, and 1908 was due to the work of the hatchery.

The CHAIRMAN. I personally would be glad to admit that.

Mr. DORR. I hope it is true. Something brought more fish to Karluk in 1906 than had been caught during any previous year.

Dr. EVERMANN. And, conversely, he would have to admit that in the absence of the hatchery these statistics would show a considerable decline in that region.

Mr. BROWNE. Taking it in the concrete, Doctor, it would show good results everywhere if we had more hatcheries?

Dr. EVERMANN. Yes, I admit that proposition.

Mr. DORR. I am just as strong an advocate of artificial propagation as you can find anywhere. Dr. Evermann, I think, will testify to that from the years of intercourse that we have had. He has never found me on any other side of the hatchery question. I have studied it. I do not claim to have studied it from a scientific or biological standpoint; but I have studied it from a layman's standpoint, as I have tried to study all these fishery questions during quite a number of years that I have been in touch with the business on the Pacific coast in one way or another, chiefly as a lawyer, because that is my profession, but I have been very close to the practical end of the salmon business for many years.

The table follows.

Catch of salmon at Karluk and immediate vicinity from beginning of canning industry in 1882.

[For the period from 1882 to 1904, inclusive, the figures herewith are based on an estimate of 14 red salmon per case.]

Years.	Number of canneries.	Red.	Silver.	King.	Hump-back.	Total.
1882.....	1	58,800				58,800
1883.....	1	188,706				188,706
1884.....	1	282,184				282,184
1885.....	1	468,580				468,580
1886.....	1	646,100				646,100
1887.....	1	1,004,500				1,004,500
1888.....	3	2,256,100				2,256,100
1889.....	5	2,792,930				2,792,930
1890.....	5	2,622,396				2,622,396
1891.....	5	2,926,588				2,926,588
1892.....	3	2,852,458				2,852,458
1893.....	5	2,909,508				2,909,508
1894.....	4	3,349,976				3,349,976
1895.....	4	1,762,000				1,762,000
1896.....	3	2,650,000				2,650,000
1897.....	3	1,865,731	1,500			1,867,231
1898.....	3	1,102,967	19,175			1,122,142
1899.....	3	991,848	24,520			1,016,368
1900.....	2	1,767,071	31,017			1,798,088
1901.....	2	2,841,247		3,778		2,845,025
1902.....	2	2,485,112	34,972	2,632		2,523,016
1903.....	2	1,109,975	119,541	1,187		1,230,703
1904.....	2	1,638,949	100,936	3,190	5,180	1,748,255
1905.....	2	1,787,618	85,050	2,466		1,875,134
1906.....	2	3,453,113	22,496	3,640		3,479,249
1907.....	2	2,829,886	26,033	4,015		2,959,934
1908.....	2	1,608,418	33,131	3,028	233,067	1,877,644
1909.....	2	923,501	13,655	3,907		941,063
1910.....	2	1,492,544	22,922	1,598	104,873	1,621,937
1911.....	2	1,723,132	11,581	689	8,742	1,744,144
Total.....		54,492,528	546,529	30,400	351,862	55,421,379

Mr. DORR. In connection with the hatchery feature, I would like to read into the record an extract from the report of the Alaskan Salmon Commission, which has heretofore been referred to (H. Doc. 477, 58th Cong., 2d sess.), transmitted to Congress by a message by the President:

Mr. DORR (reading):

The key to the whole question of the future of the Alaska salmon industry lies in artificial propagation of the Red salmon. This species lays from 2,500 to 3,500 eggs; the King salmon a few hundred more. These eggs are placed among the gravel of the spawning beds, where they are fertilized by the milt of the male. Many, however, doubtless fail of fertilization. The eggs remain on the spawning beds many weeks or even months before hatching, and both they and the fry are attacked by the Dolly Varden trout, sculpins, sticklebacks, and by various other larger or smaller enemies, including fungoid diseases. The Dolly Varden trout, which swarms wherever salmon eggs or fry are found, is perhaps the most persistent and destructive. The fish duck is also very destructive. So many are the dangers which beset the young salmon that it is doubtful if one in a hundred or even one in a thousand ever lives to maturity. By artificial propagation practically all these dangers are eliminated. Practically every egg can be fertilized; the danger of disease can be greatly reduced; all the enemies that feed upon the eggs and fry can be eliminated, and a vastly larger proportion will grow to maturity.

I would include the other salmon now with the red fish.

Dr. EVERMANN. I would now include them because the value of the humpback is much more apparent now than it was nine years ago.

Mr. DORR. I think I am only repeating what the gentlemen from the Bureau of Fisheries will admit is a well-recognized rule, that in artificial propagation they can safely count on saving 95 per cent of the eggs, while under natural conditions fully 95 per cent of the eggs

are lost. Right there is the whole key to the artificial propagation of salmon. It is all in nursing and taking care of the eggs and this is the reason that artificial propagation is the key to the fisheries in Alaska, as it is the key to fisheries elsewhere. Our great lakes have been very abundantly replenished by artificial propagation until, as I understand, they now have more white fish and lake trout than they ever had before. Is that correct, Doctor?

It is also true with shad. They propagate shad right here in the city of Washington, in the Bureau of Fisheries Building for liberation in the Potomac River. The efficiency of hatcheries has been proven and affirmatively decided so many times that I think it is an established fact that does not need to be further dwelt on.

The CHAIRMAN. I think we have gone into that pretty fully, too. I think Capt. Moser went over that subject.

Dr. EVERMANN. I wrote that paragraph in 1903, I think, and if I were to rewrite it to-day I would make very little change in it. I think the only change would be, as Mr. Dorr suggested, to say that the key to the preservation of the salmon fisheries in Alaska is artificial propagation, not only of the red salmon, but of all the species of salmon, because all the other species have increased in value vastly since 1903. All the other facts in that paragraph are just as true to-day as they were nine years ago.

Mr. DORR. I have one further extract from this report, on page 26 bearing on this subject which I will read. [Reading:]

It is further suggested that those packers, corporations, firms, or individuals maintaining hatcheries of their own and placing in the rivers 10 Red salmon fry for each individual salmon taken, be relieved from this tax. This figure is wholly arbitrary; 30 to 1 or even 100 to 1 may be nearer the proportions. Perhaps the number should be reduced one-half for the lower grades packed.

Mr. DORR. I think the chairman will remember that I made a statement early in the hearings, when Gov. Clark was before this committee, to the effect that this rebate provision had been indorsed by Dr. Jordan and the Bureau of Fisheries long before it was promulgated into law, and I read this to verify by the record that statement.

Now, if it be true that artificial propagation is the key to the whole situation, it seems to me that is the thing Congress ought to be considering in this bill rather than these other matters. If we can replenish those waters infinitely, as it appears we can, where we have the whole ocean for a feeding ground and where salmon is such a valuable food product and ought to be sold and brought within the reach of the laboring classes of people, as it formerly was, it seems to me that the best way this can be done is to raise the fish and let the people catch them.

The CHAIRMAN. Now, Mr. Dorr, this occurred to me a moment ago. How does an increased supply help in the way of making food cheaper and fish cheaper if the practice is followed which Mr. Moser suggested a while ago? He said the reason why a great many of the humpback salmon were not caught when the run was large was because the market did not warrant. In other words, when the market did warrant it, they put up a tremendously large pack. When the market does not warrant they put up a small pack; and therefore keep the prices up.

Mr. DORR. Capt. Moser was speaking of his company only in that connection and is undoubtedly right when he says they have not

cared to pack humpback salmon on Puget Sound. That was their policy I know for a long time, but that has not been the policy of the other companies on Puget Sound at any time. The other companies—and there are very many—have uniformly outfitted and prepared for a pack of humpback salmon. Of course, when the tremendous four-year run is on, when the sockeyes are so abundant, no one is going to pay much attention to humpbacks when he can catch a sufficient quantity of sockeyes to keep his cannery in operation, because the sockeye is of so much greater market value. But the humpbacks come during the last part of the run of the sockeyes and then they continue to run for some weeks after the sockeye is gone. During that time, after the sockeye has disappeared, the general custom has been, so far as I have known anything about the business—and I have known about it ever since 1888—for nearly all of these canneries to pack humpback salmon and coho salmon and dog salmon.

I have known George T. Myers to pack salmon up to Christmas in the city of Seattle, and I have known others to pack equally that late. Of course that is very late. There is nothing left but the dog salmon at Christmas time. The prices of humpback salmon have however, been always much lower than the red salmon.

The CHAIRMAN. If the supply in Alaskan waters is maintained or increased will those prices become lower?

Mr. DORR. Oh, I think the dollar price has got to go. That is my own opinion about it. I do not like to say anything to batter down the market, but I think the price will be lower; 1911 was an abnormal year for prices.

The CHAIRMAN. What do you mean by that?

Mr. DORR. I mean that it has got to give way. It is going to be lower.

Mr. BROWNE. You mean a dollar a dozen?

Mr. DORR. Yes, sir; the dollar-a-dozen price will not be maintained, in my opinion.

The CHAIRMAN. You think that they can can the humpback up there and sell it at less than a dollar a dozen and make a profit?

Mr. DORR. Well, that depends on circumstances, Senator. When the runs are big and conditions good they can make some money at less than a dollar.

The CHAIRMAN. That is, you think that if the runs are maintained or increased that that run would enable them to put the fish up more cheaply and thereby permit them to sell more cheaply?

Mr. DORR. There is no question about it. If there is a supply of fish near at hand they can pack them much cheaper than they can where the fish are scattering and scarce, because one of the great elements of cost is the steamer transportation to pick up these fish and tow them in to the canneries. Where they have to go 50 or 75 miles, or even 100 miles, as they do in some instances, it adds a great deal to the cost. Where they can get a supply close at hand as they do in Puget Sound, it is much less expensive to pack. As I mentioned the other day, all the Puget Sound canneries have an advantage in several ways over the Alaska packers. Where they can get an adequate supply of fish close at hand they can pack them for less than a dollar a dozen and make something on them. A dollar is the highest price we have ever had, I think.]

The CHAIRMAN. A dollar for the humpback salmon?

Mr. DORR. Yes, sir; a dollar per dozen for the humpback salmon.

The CHAIRMAN. That would be \$4 a case.

Mr. DORR. \$4 a case; \$1 a dozen; 8½ cents a can. That fish even at a dollar per dozen can be sold in the market over the retail counter for 12½ cents a can.

A man who eats it with his eyes closed would not know whether he was eating red salmon or pink salmon, but it does not sell for as much as the red fish; some people claim it is not as good; there is a standing dispute about that; others claim that it is just as good as the red fish, and some prefer it.

The CHAIRMAN. Does the Puget Sound pack largely regulate the price or control the price?

Mr. DORR. Well, it does in the years that they have their pack. You see every other year they are out of the market, unless they have a carry-over from the preceding year.

The CHAIRMAN. So that when they have their large pack then they practically fix the prices?

Mr. DORR. When they have a large pack on Puget Sound they have as much to do with the fixing of the prices as anyone; probably more.

The CHAIRMAN. What I am getting at is that the Alaska packers could not undersell the Puget Sound packers?

Mr. DORR. They can not undersell—you mean they can not undersell them in an open-market competition?

The CHAIRMAN. Yes.

Mr. DORR. Oh no; certainly not. Packing fish in Alaska costs more than it does on Puget Sound.

The CHAIRMAN. I know it does.

Mr. DORR. The Puget Sound packer has an advantage in his cost. There is no question about it.

The CHAIRMAN. You have to sell at what he sells at?

Mr. DORR. The Alaska packer has to sell at what the Puget Sound packer sells at.

The CHAIRMAN. So that the fixing of your price, especially in a full year, you have to sell at the same price with a greater cost of production than the Puget Sound canners?

Mr. DORR. Yes; it is of greater cost of production and delivery to railroad terminals. It costs, as I stated the other day, 36 cents a case for transportation, and that is a differential in favor of the Puget Sound packer, even though everything else were equal. And 36 cents per case is a good big profit on pink salmon.

Mr. BROWNE. Thirty-six cents is the cost of transportation from Alaska to the Puget Sound points?

Mr. DORR. Yes, to rail points. This includes transportation up on the men and materials, and down on the men and finished product.

The CHAIRMAN. Where it comes in competition with Puget Sound products?

Mr. DORR. Yes, sir; it costs 36 cents for the transportation that these people on Puget Sound do not have to pay.

I was about to say that 12½ cents, even at this high price, for a pound of solid, wholesome, nutritious food without any waste—and there is no waste in a can of salmon—is not a high price to pay; but the price should not be increased by the imposition of more taxes.

The CHAIRMAN. Have you noticed any increase in the demand for salmon since other lines of food have become so high?

Mr. DORR. Yes; the demand for salmon has been better in the last two years than it has been for a great many years, and that is one thing that made the prices of salmon high last year, because the demand was so active. It has been a serious question in my mind whether it was not made too high; but that is not my part of the business. That belongs to the packers.

Looking now to the bill, section by section, I have discussed section 1 which relates to the taxation. And, by the way, a thought has just come to me. I do not know whether it is important or not, but it has just now occurred to me, whether the Senate has original jurisdiction of a revenue measure that increases taxation; whether under the Constitution that measure should not originate in the House. I do not say this hostilely, but it has just flashed over my mind now. It has never been mentioned before.

The CHAIRMAN. Well, we are getting a good deal of valuable information anyway, Mr. Dorr.

Mr. DORR. Section 2 is the hatchery provision. I have taken the liberty of drawing a new hatchery provision which I want to submit in the interest of fairness and justness; not that it directly affects these people whom I especially represent.

The CHAIRMAN. Have you it prepared now?

Mr. DORR. I have.

The CHAIRMAN. Perhaps you had better put it into the record so that it will appear at this point. I would like to have you point out the main features of these suggestions.

Mr. DORR. It is a section of a draft of a general bill that we—I say “we”—Mr. Brown, Mr. Webb, Capt. Moser, and myself—have consulted about and have drawn up and put in shape to be submitted as a tentative suggestion, if the committee concludes any legislation is necessary.

The CHAIRMAN. That is, as a substitute for this entire bill?

Mr. DORR. Yes, sir; as an entire substitute.

The CHAIRMAN. You can then discuss each section of the bill here and we will put it in later.

Mr. DORR. I sent a copy of it to Dr. Evermann the other evening by Mr. Bower. Have you the copy, Mr. Bower?

Mr. BOWER. I have the copy of your proposed bill.

Mr. DORR. I wanted Dr. Evermann and his associates to go over it before introducing it here.

In connection with the hatchery section, which is contained in section 2 of the pending bill, I would like to say that the new suggestion is that hatcheries approved by the Secretary of Commerce and Labor continue as now, but that no new permits be granted, thereby not encouraging any new hatcheries to be built; that the Secretary of Commerce and Labor is authorized to negotiate for the purchase of these private hatcheries, of which I understand there are five that have been approved, and allow them to be paid for out of their taxes. In other words, to let the hatcheries themselves be paid for out of their taxes instead of the rebates on the fry being paid for out of these taxes.

The CHAIRMAN. In other words, it would be paid for out of the moneys as it comes in for those taxes?

Mr. DORR. It would be credited to the individual cannery who sell their hatcheries. It would not be paid for out of the general tax fund.

The CHAIRMAN. What I meant was that you would be paid for these hatcheries out of the tax as it comes in?

Mr. DORR. As it is earned and charged to the individual who sells the cannery. It is to be taken out of his tax, not out of the general tax.

The CHAIRMAN. I see.

Mr. BROWNE. Instead of for the product of the hatchery you sell the hatchery?

Mr. DORR. The difference would be if the hatcheries were paid for out of the whole tax fund it would take all the taxes for sometime, but in this way it only absorbs the taxes of those individuals who sell the hatcheries.

The CHAIRMAN. Leaving the remainder of the tax to go into the Alaska fund as it now is, unless we provide that it shall go into a fund for additional hatcheries. I see.

Mr. DORR. The remainder of the tax would not apply to the payment for these hatcheries. For instance, if Capt. Moser's company should sell one of its hatcheries or both of them, by an agreement with the officials, the company would receive certificates that would be accepted as payment of taxes *protanto* on their pack from time to time until the hatcheries had in that way been paid for.

The CHAIRMAN. If this year their tax amounts to about \$40,000, that \$40,000 will be applied on the hatcheries bought from them?

Mr. DORR. Yes; it will be applied on the hatcheries purchased from them until the hatcheries are paid for. That is the idea. It merely transfers the rebate to the hatchery itself instead of allowing it for liberating the fry at the hatchery, and the plan transfers the title of the hatcheries to the Government. The department would operate them as other Government hatcheries. It does not require the owners to sell and it does not require the Government to buy, but it leaves the matter of purchase to the discretion of the Secretary of Commerce and Labor, and as soon as they agree on prices the transfers can be made.

The CHAIRMAN. What provision does it make as to ascertaining the price at which those hatcheries shall be bought?

Mr. DORR. It leaves it to the discretion of the Secretary of Commerce and Labor.

The CHAIRMAN. It leaves him to fix the price?

Mr. DORR. Yes, sir.

The CHAIRMAN. If it is a question of setting the price and if they did not see fit to take it, they would continue?

Mr. DORR. They would continue to operate under the rebate system as long as the law remains unchanged.

The CHAIRMAN. I will say this: I would like to get rid of this rebate system if possible.

Mr. DORR. That is the suggestion I make to get rid of it, but on a basis equitable to everybody.

The CHAIRMAN. Yes, except this: That we allow this rebate to go on. Then it just depends whether the Secretary offers what the operators of the hatcheries consider they can afford to take.

Mr. DORR. Well, there may be some suggestion that somebody can make, yourself or others, as to the details of that matter.

The CHAIRMAN. Would you be willing to have the price to be paid for these hatcheries determined by one representative of the department, one person representing the canners, and a third to be selected by them?

Mr. DORR. I would, if they were mine, but I am not speaking for these hatcheries, Senator, and I do not want to be understood as doing so. I have only taken an interest in this hatchery proposition because I was connected with it from the first and because I want to see it worked out on a plan that is just and fair to all concerned.

The CHAIRMAN. Capt. Moser, what do you say about that?

Mr. MOSER. I have not thought over that matter sufficiently, Senator, to state definitely now.

The CHAIRMAN. I would suggest that you talk that matter over with Mr. Dorr, as he has a bill framed, and with Dr. Evermann, and see whether you can work out something of that kind or not.

Mr. MOSER. This bill, as I understand it—at least, the outline of the bill—is drawn up for the purpose of submitting it to the different people who are interested, and to see if we can not come to a definite understanding with each other in regard to the measure we think best to adopt.

The CHAIRMAN. Yes.

Mr. DORR. If Congress is satisfied that the Government should buy these hatcheries, and the people who own them are willing to sell them, I do not see any trouble in arranging the details.

The CHAIRMAN. No; I do not expect there would be much trouble about that. Of course, Congress to a great extent has the matter in its own hands and could stop this rebate system at any time.

Mr. DORR. It certainly could stop it at any time, but it ought not to do an injustice to those who in good faith have been operating under the law.

The CHAIRMAN. But we do not want to do an injustice to anybody.

Mr. DORR. I assume you do not.

The CHAIRMAN. No; we certainly do not. But, as I say, we desire to secure a fair and reasonable adjustment with all these people. Of course, I would not advocate any proposition that would work injustice. Therefore it seems to me that with the Government in the advantageous position which it occupies we can work out something that will bring about a fair and reasonable adjustment of the matter.

Mr. DORR. Section 3 is covered by existing law sufficiently, I think. Section 4 is the trap section.

The CHAIRMAN. Have you been able to take that up with a view to framing the provision you spoke of?

Mr. DORR. Yes, sir; I have drawn a new trap section, but I do not think Dr. Evermann has had time to examine it, because I think he has been busy with other hearings.

Dr. EVERMANN. I have not yet had time to take it up.

Mr. DORR. In a general way I would like to suggest, in addition to the reference made to that subject the other day, that by the system suggested in this new plan I am advocating an increase in lateral distances. That is what will be tantamount to an increase by plotting the ground into plots 4,000 feet in length and 1,200 feet in width, and requiring that the adjacent plots shall be 1,800 feet

laterally distant from each other, and then allowing the trap to be built anywhere within the plot, and confining it to the plot.

The CHAIRMAN. So that if each one is put in the middle, that would make the distance much more than 1,800 feet?

Mr. DORR. It will make it 2,400 feet between the leads. That is the distance we have on Puget Sound.

Mr. BOWER. Is it to be built at right angles with the general trend of the shore line?

Mr. DORR. To be built in any position you like, but the next trap must be the required distance laterally away from the first one. So that if it was laid at right angles to the shore and the next trap is at right angles with the shore it is a simple matter; but if it is laid parallel with the shore the next one would have to be laid the full distance away, so as to give the lateral distance from the original trap. There must be 1,800 feet laterally between all of those plots sidewise, and 300 feet endwise.

The CHAIRMAN. It seems to me you gentlemen ought to be able to work that out. I think you will be able to work out a provision covering what you want.

Mr. MOSER. I think it works out very nicely. I have laid out different forms of it and I think it works out very well.

The CHAIRMAN. The point is to so describe it in the statute as to cover what you want to provide.

Mr. MOSER. I projected it on a chart, and so far as I could see I think it would work out very satisfactorily.

Mr. DORR. Section 5, the words "or immediate approaches" in line 10 of the original bill, page 9, are objectionable; because I think it is an indefinite restriction. We do not know what "immediate approaches" mean.

The CHAIRMAN. I think we had considerable discussion of that by Capt. Moser.

Mr. MOSER. Yes.

The CHAIRMAN. If you want to add anything more, Mr. Dorr, why, of course, go ahead.

Mr. DORR. No, I think not.

These same words are repeated on page 10, lines 12 and 13, of the original printed bill.

Then there is the question of red-salmon streams which has been spoken of before. We think that pink-salmon streams ought not to be included in the restriction.

The CHAIRMAN. That is section 6?

Mr. DORR. Section 5, the first line at the top of page 10 of the original bill.

The CHAIRMAN. Oh, yes; "Any salmon stream" should be "Any red salmon stream."

Mr. DORR. Yes; "Any red salmon stream."

Taking up section 6. I have made all the statements I care to on the close-season question.

Mr. Browne just asked me about Cook Inlet and Prince William Sound. We object to Prince William Sound and Cook Inlet being included in the weekly close season for reasons that I tried to give earlier in the hearing.

The CHAIRMAN. Yes; I remember.

Mr. DORR. The method of closing the trap during the weekly close season is omitted in this section. I have added to our trap provisions just exactly what I understood the department desired to have. The present close-season law is found in section 5, and it excepts Cook Inlet, the delta of Copper River, Bering Sea, and the waters tributary thereto from the operation of the close law.

In speaking of Prince William Sound I mean the Copper River delta, because that is the ground we seek to have left open. If there is anything in the rest of Prince William Sound, we do not so much care about that; but it was explained by Capt. Moser, I think, in detail some days ago at the hearing how it was impossible to block the Copper River delta.

The CHAIRMAN. Yes; I remember that was gone into.

Mr. DORR. Section 7 I have just objected to as strenuously as I could.

Section 8 we have no objection to at all, but would like to add these words:

And provided further, That dumping of fish offal or gurry into the waters shall not be deemed a violation of this act.

That relates to the section prohibiting the pollution of the waters.

Mr. Browne has something to say on section 9, and I will pass that over.

Section 10 is perfectly proper, I think, and we have no objection to it at all; section 11 is covered by existing law and there is no need for it. Section 12—

The CHAIRMAN. Apparently the only difference in section 11 and section 10 is that they add the words "and Congress" in regard to information used by the department, in regard to these reports. Of course, there would be no objection to that.

Mr. DORR. There is no objection to it. Congress can always get the reports from the department, but if they want the word "Congress" in we have no objection to it.

I would like to say right there, Mr. Chairman, that it is the policy of the canning companies in Alaska to welcome all kinds of inspections from the Government officials. They are glad to have them come there and see what is going on. Do not you find it so, Mr. Bower?

Mr. BOWER. Always; without exception.

Mr. DORR. You do not find any obstruction put in your way, do you?

Mr. BOWER. Never as yet at any of the canneries I have visited in Alaska.

Mr. DORR. Or in the hatcheries?

Mr. BOWER. Or in the hatcheries.

Dr. EVERMANN. I would like to make a statement regarding that matter. In all these years that I have had anything to do with the Alaska fisheries it has been exceedingly gratifying to note how readily the packers—all of them, without exception, so far as I can recall at this minute—have been to supply any data and any information which the bureau has requested.

Their methods in all cases have not been such as would give all the data which were desirable, but they gave everything they could. It would be quite desirable if we could get a little bit more definite

data regarding the individual stream catch—that is to say, the number of fish caught in each particular place—but there are practical difficulties in the way of that. A tugboat goes out to pick up the fish in different places and it is a little difficult to differentiate, but, so far as the methods followed by the fishermen permitted, the companies have invariably supplied all information that the bureau has ever asked for, and frankly and freely.

Mr. DORR. In section 16, page 18, of the original printed bill, commencing with line 10 and ending with line 15——

The CHAIRMAN. That is the servant and employee provision.

Mr. DORR. We most seriously object to that. We do not think it is good law in the first place; but we do not want to feel that we have to test that question out in court. It does not seem to us right that a man should be held guilty of a violation of the law without any knowledge or criminal intent on his part. If you can charge the principals with any of these violations of the law on the theory that they knew it or condoned it or purposely permitted it, you do not need this law. They are guilty anyway. This provision seeks to make an innocent man responsible for the wrongdoing of his servant.

Mr. BROWNE. The only thing they have to prove is that the wrongful act was done within the scope of the employment of the servant.

Mr. DORR. That is the only thing they have to prove.

The CHAIRMAN. Yes; in the scope of his employment and in the furtherance of the apparent interest of his employer.

Mr. DORR. For instance, some fellow in Alaska may catch fish on Sunday, which is prohibited, and the Government could have Capt. Moser arrested in San Francisco, because that man was employed by his company.

Mr. MOSER. And that man may catch the fish on Sunday because some other man, jealous of my interest, may put him up to it.

Mr. DORR. That is true. I remember a man in the Government employ once who got mad at the superintendent and poisoned all of the fry in the hatchery just for revenge.

Section 19, the emergency clause; I think the bill, if passed, should take effect on the first day of January of the year succeeding the date of its passage.

The CHAIRMAN. I do not expect that there will be any trouble about that proposition. Your fishing season begins at the regular time. I was going to suggest if the bill should pass, say, in February, we might not want to wait until the next January.

Mr. DORR. I do not think it should be put into effect in any instance until the first of the next year, because I think everyone will concede we must have a little time to adjust ourselves to new conditions in fishing. You could not promulgate this bill now and get it up to Alaska so as to notify the people there in time to regulate this season's operations.

The CHAIRMAN. I do not think there will be any trouble about that proposition.

Mr. DORR. Now, reverting for just a moment to the tax proposition.

Under the provision of the bill as drawn, section 1 calls for a license for all gear. There is no provision for issuing those licenses. If they are to be issued by the Secretary of Commerce and Labor, it ought to be stated. If it is proposed that they are to be issued by the clerks of the various courts in Alaska whose duty it is to collect

the other licenses up there, that ought to be made plain. In any event it is going to be a tremendous hardship and almost impossible of observance and compliance for these fishermen in Alaska to take out licenses on gear. Take gill nets, for example, and all other small gear; there are thousands of them.

I want to protest as earnestly as I may be permitted against that burden being put upon these men. There are about 10,000 men who go up to Alaska each year. It is a transient business; in the nature of things it has to be transient. They are in and out in three months and a half in the Bering Sea. They are a little longer time in central Alaska, still longer in southern Alaska; but to go through the details of getting these licenses every year would be a hardship and as a matter of revenue I do not think it ought to be imposed on this industry by Congress, because it is not worth what it is going to cost.

We do not care so much about the amount of that small gear tax. Capt. Moser said it would cost his company \$800. It is not the amount of it, but it is the unnecessary burden in securing the licenses and observing the law, keeping the license tags on the nets, etc. If it is decided that there must be a general license system, then there should be an agent of the Bureau of Fisheries stationed in Seattle to issue these licenses. I say Seattle because it would be the most convenient point for everybody, and there should also be provision to keep agents of the Bureau of Fisheries in Alaska with power to issue licenses and collect the revenues.

Dr. EVERMANN. I may say that the bureau now has a local agent in Seattle, and it is possible that he would be competent to issue the licenses.

The CHAIRMAN. What does he do there?

Dr. EVERMANN. He has to keep track of the statistics of the fisheries related to Seattle and other Puget Sound ports.

The CHAIRMAN. Do you keep him there all the time?

Dr. EVERMANN. Yes, sir. He is a local man; Judson P. Todd; a practical fisherman.

Mr. WEBB. As I understand it, the result of this tax from a revenue standpoint would be practically nil. Capt. Moser said it would cost his company about \$800 for about 80,000—

Mr. MOSER. We have about 80,000 fathoms of the gear. That is, in seines and gill nets.

The CHAIRMAN. So that for the whole of Alaska your tax would only amount to about \$800.

Mr. MOSER. I do not think it would amount to over \$2,000 for all the fishing up there and you would have great difficulty in enforcing the provisions of the law.

The CHAIRMAN. There is a penal provision here, too. If he does not have the license, he would be sent to jail.

Mr. DORR. You have to keep a tag on your net. If you do not have it there, you are liable to be arrested and sent to jail for three months and to pay a fine of \$1,000. The penalties are enormous. Altogether I can not see the necessity for this gear tax. If we have to pay that tax, let us pay it on the pack and not on the gear.

The CHAIRMAN. Well, we will let Dr. Evermann think about that and we will see what he has to say about it when he comes before us.

It strikes me that we ought to leave off these smaller matters unless we find they are absolutely necessary.

Mr. DORR: As to the pack tax we think if it is going to be changed at all it should be 3, 4, and 5 cents a case, especially in view of the probabilities of the Alaska territorial bill becoming a law.

The CHAIRMAN. But if the greater part of that tax were put into hatcheries, then you would be willing to consent to a greater increase, would you not, Mr. Dorr?

Mr. DORR. I said that the other evening, and I adhere to it. If that tax can go to the maintenance and support of these hatcheries we can afford to pay a little more, and I think that possibly a total of \$150,000 a year should be the limit of the amount to be raised in Alaska, and it should all be put into the hatcheries.

The CHAIRMAN. That is on the basis of the present output?

Mr. DORR. Yes; on the basis of the present output. As far as the people whom I represent are concerned, I am perfectly willing to stand on that kind of a proposition. We will contribute our proportionate share to make up \$150,000, and we want to give it to the Bureau of Fisheries to expend in the Alaska fisheries.

The CHAIRMAN. Yes; I understand that.

Are you about through, Mr. Dorr? If there is anything else which occurs to you, you will have an opportunity to say it.

Mr. DORR. This is all I desire to say at this time. I want to thank you for being so patient with me.

The CHAIRMAN. We want to get all the information we can, and your statement has been full of interest and instruction.

Mr. MOSER. The data you spoke of, Senator, has not yet arrived. I have wired for it.

Thereupon, at 10.05 o'clock p. m., the subcommittee adjourned to meet at the call of the Chair.

APPENDIX.

NORTH ALASKA SALMON CO., 110 MARKET STREET,
San Francisco, March 23, 1912.

Hon. WESLEY L. JONES,
United States Senate, Washington, D. C.

DEAR SIR: Through the courtesy of a friend in Seattle we have received a copy of your bill relating to the Alaskan fisheries. We are advised that this copy was made some time ago, and that some changes may have been made in it before having been introduced by you in the Senate. If such is the case, would you kindly favor us with a copy as introduced by you?

In a general way the bill does not impress us unfavorably. A portion of the revenues, say one-half, collected from the cannery through the taxation of their equipment and output should be expended by the Government in the establishing and maintaining of hatcheries in the districts which furnish the funds through taxes collected. We believe that the private hatcheries should be abolished and that the Government should establish at once suitable ones in proper localities. Bering Sea has been entirely neglected in this respect, and while it furnishes the greatest amount of red salmon, there is not a hatchery of any kind in the district. The establishment of these hatcheries should not be delayed until 1915, as your bill suggests, but should be built and operated without delay.

We note in your measure that the tax on red salmon is raised from 4 cents to 7 cents, while the tax on pink salmon remains the same, namely, 4 cents per case. This, we think, is unreasonable. The pink-salmon cannery should bear their portion of the increase. We would suggest that pink salmon pay 5 cents per case and red salmon

6 cents per case, instead of 4 cents and 7 cents, respectively. This would bring the Government a larger revenue than provided for in your bill, as the amount of pink salmon packed is greater than red. The profits made in the canning of pink salmon are greater than those made in the canning of red, and the risks assumed by the pink-salmon canner are much less than those assumed by the red-salmon canner.

We desire to place ourselves on record, however, as being strongly opposed to any increase in taxes unless a suitable amount of same is set aside annually for the purpose of fish culture. Under the present law we pay the Government a large sum annually, and receive absolutely no benefit in return.

Our total investment amounts to \$600,000; and since 1900, when we built our first cannery, have not paid our stockholders on an average of $2\frac{1}{2}$ per cent per annum. You can therefore readily see that an increase in our taxes would work a hardship. The schools and roads, for which it is proposed to raise this tax, are all located in what is known as the pink-salmon district, yet the increase in taxes is alone to be applied to red-salmon districts. The Bering Sea district, where we and the principal red-salmon canners are located, have no roads and but few schools.

We can readily understand that great pressure will be brought to bear by the pink-salmon canners to have the tax on pink salmon remain at 4 cents, but we desire to enter an emphatic protest against a raise in the tax on red salmon without a corresponding increase in the tax on pink salmon.

We believe you to be actuated by a desire to deal fairly toward all concerned, and therefore submit our views for your careful consideration.

Kindly notify us of any changes that may be made in this measure.

A copy of this letter is being sent to Hon. Geo. C. Perkins, your colleague on the Committee on Fisheries.

We are yours, very truly,

NORTH ALASKA SALMON COMPANY,
J. P. HALLER, *Manager*.

NORTH ALASKA SALMON CO.,
110 MARKET STREET,
San Francisco, April 4, 1912.

HON. WESLEY L. JONES,
United States Senate, Washington, D. C.

DEAR SIR: We preface our letter by calling your attention to ours of March 23, in which we expressed our views extensively regarding bill S. 5856, relating to the Alaskan fisheries. Since then we have received a copy of the bill as introduced in the Senate. To our surprise we find that instead of 7 cents, as we were led to believe would be the rate of taxation on red salmon, according to a communication received from the Northwestern Fisheries Co. of Seattle, the rate has been increased from 4 cents to 11 cents, whilst the rate on pink salmon has been raised to 5 cents per case.

We pointed out to you that the pink-salmon canner has many advantages over the red-salmon canner, and his plants yield a better and surer source of revenue. Owing to the isolated districts in which the major portion of the red-salmon canneries are operated, they are compelled to own and operate their own transporting vessels. The pink-salmon canner is invariably located on a regular line of communication, with steamers passing every few days, and for this reason the investment is not as large. All of the red-salmon canneries are located in central and western Alaska. There is but one steamer, a 150-ton mail boat, which makes but one trip per month into Bering Sea.

The red-salmon season is very much shorter than that of the pink, and for that reason all men and supplies have to be carried into the territory on one trip by vessels owned and operated by the canners. All of the cannery labor demands a wage guarantee for the season, amounting to the maximum capacity of the cannery, and seldom is the run of fish sufficient to keep them steadily employed. During the season of 1910 we packed about 60 per cent and 1911 about 40 per cent of our cannery capacity and labor contracts, thereby increasing the cost of actual production to that extent. The red-salmon canner therefore has to take chances on the run of fish, and at all times carry supplies and men for a full pack. The pink-salmon canner, being located to a nearer base of supplies and having a longer season, can carry a minimum amount of supplies required and obtain the balance at his own convenience, should the season demand it. The pink-salmon run, from year to year, fluctuates but little. The run of red salmon is very uncertain and a large run may or may not be followed by a short one.

From every viewpoint it is apparent that the canning of red salmon is a very hazardous enterprise, as compared with the canning of pink, and an increase in taxes on red salmon, out of proportion to that levied upon pink salmon, is increasing the heavy burden now carried by the red-salmon canner. Taking all of the facts into consideration, we do not see how, in fairness to all concerned, you can raise the tax on red salmon to such an exorbitant figure and out of proportion to the increase on pink salmon.

The tax you propose to place upon red-salmon canners would be three times as high as it would be if the canneries were located in either Washington, Oregon, or California. At the rate of 11 cents per case the amount of taxes would be about 7½ per cent on an assessed valuation in Alaska, while if this property were located in the States we would pay probably not in excess of 2½ per cent. Our vessels are all registered in the customhouse in San Francisco and we pay the regular State and county taxes on them. As a corporation we also pay taxes to the State of California on our franchise and on the amount of our capital stock; also the United States Government on the amount of our net income.

There are about 12 canning companies operating in central and western Alaska. They packed last year about 1,125,000 cases of red and king salmon, as compared to a total of 1,358,000 cases of those grades for the entire territory of Alaska. Those same sections packed only 63,400 cases of pinks and chums and 28,000 cases of cohoes or silver salmon. In the pink-salmon districts, southeastern Alaska, there were packed last year 1,260,700 cases of pink and chum salmon, 100,000 cases of cohoes, and only 232,100 cases of red and king salmon. You can therefore see that the burden of the increase, as proposed by your bill, will fall upon those canners operating in the isolated districts of central and western Alaska, as they pack about 82 per cent of the red salmon packed in Alaska. These are the ones who can least afford it, as the conditions under which they operate are fraught with much additional hazard and difficulties.

All of the above statistics may be corroborated by reference to the records of the Bureau of Fisheries, Washington.

As to the comparative prices of red and pink salmon. While it is conceded that the red salmon brings a higher price in the market than the pink salmon, it costs a great deal more to pack than pink salmon. Red salmon brought 30 cents per dozen more in 1910 and 60 cents per dozen more in 1911 than pink salmon. The price on red salmon last year was made by the canners in order to save themselves from a positive loss. Prior to that time red salmon never brought in excess of 35 cents per dozen more than pink salmon.

We strongly advocate the establishing and operating of hatcheries by the Government and hope that you will make some provision for this in your bill, as you indicated you favored such action in your recent letter to us.

We think we have made the situation clear to you. We have put the facts before you as we know them to exist and trust that you will see the justice of our claims. As indicated in our former letter, the bill does not impress unfavorably with the exception of the exorbitantly high rate of taxation imposed upon red salmon. We would propose, and we think it would be reasonable and just, that the tax on pink salmon be increased from the present rate of 4 cents to 5 cents, and that the tax on red salmon be increased from 4 cents to 6 cents. However, we are unalterably opposed to any increase in the tax whatsoever unless at least a portion of the funds thus collected are used in the establishing and operating of hatcheries in Bristol Bay.

We, the undersigned canning companies operating in the Bristol Bay district, approve and indorse the above communication.

Very respectfully,

NORTH ALASKA SALMON COMPANY,
J. P. HALLER, *Manager*.
ALASKA SALMON CO.,
JAMES MADISON, *Secretary*.
BRISTOL BAY PACKING CO.,
L. A. PEDERSEN, *Manager*.
RED SALMON CANNING CO.,
FRANK B. PETERSON, *President*.
NAKNEK PACKING CO.,
FRANK B. PETERSON, *President*.

ALASKA WHALING CO.,
210 FIRST STREET NORTH,
Minneapolis, Minn., April 18, 1912.

Senator KNUTE NELSON,
Washington, D. C.

DEAR SIR: In connection with the recent valuable assistance which you rendered this company, you know in a general way about its organization, its building of boats for the whale fishery, its plans and equipments for manufacturing into fertilizer what remains of the whale carcass after extracting the oil and securing the valuable bone.

The company's attention has been called to Senate bill 5856, introduced March 15, 1912, by Senator Jones, to amend an act for the protection and regulation of the fisheries of Alaska, and referred to the Committee on Fisheries. The company will appreciate very much if you will bring to the attention of that committee the following objections to the bill:

First. Section 1 makes whale oil manufactured "within the Territory of Alaska" subject to a license tax of 12 cents per barrel. If enacted into law this would be ambiguous as to its meaning and difficult and expensive as to its administration. Our company will operate to a considerable extent in the waters of Alaska, but, like foreign whalers, will also operate largely on the high seas. It will operate with a floating cookery on which the whale oil will be manufactured. The cookery may sometimes be within 3 marine leagues of shore and sometimes beyond, and it will be practically impossible to determine what oil is manufactured "within the Territory of Alaska." Should the bill become law the result would probably be that the Government would make our company and other American whalers pay a heavy tax on its high-sea whaling—a tax from which the whalers of other nations are exempt. The Canadians, the Japanese, and the Norwegians are operating on a steadily increasing scale in the North Pacific. Boats and other equipments cost American whalers much more than they cost the foreigners. We are credibly informed that the two whaling boats which this company is now having built at Seattle by J. P. Duthie & Co. at a cost of about \$115,000 would cost a Norwegian whaler less than half that sum. Our navigation laws and labor conditions also make the operating expense much higher for Americans than for Europeans and the Japanese. In so far, therefore, as the American whaler may operate on the high seas in competition with whalers of all other nations, a license tax on the oil will be a great handicap, and a very serious handicap at that, considering the other disadvantages under which he is laboring.

To avoid a complicated and expensive administration of the license tax law for Alaska, and as a matter of wise policy, we think the words "and whale oil" in line 12, page 2, of the bill should be stricken out. If retained, the rate of "twelve cents per barrel" should certainly be materially reduced.

Second. Section 1 makes fertilizer manufactured from whale carcasses "within the Territory of Alaska" subject to a license tax of 50 cents per ton. The difficulty of distinguishing between whale oil manufactured on the ocean, or from whales taken on the ocean, and whale oil manufactured "within the Territory of Alaska," or from whales taken in the waters of Alaska, will also apply to fertilizer, as that product will also be made on a floating cookery. But there are additional reasons why there should be no tax on fertilizer. Article 581 of the act of August 5, 1909, puts the product on the free list. Canadian and other foreign whalers would therefore be able to undersell the American whalers in the American market by the amount of the tax. To tax the fertilizer would, moreover, be a very unwise economic policy. Our company has expended not less than \$100,000 with a view to utilizing for fertilizer what is left of the whale carcass after the oil and bone are secured. In whale fishing that part of the carcass has heretofore been left adrift. It has been treated as offal and waste. Now the attempt to utilize that part of the carcass for the benefit of agriculture should certainly not be discouraged by a tax. On the contrary, every effort to avoid waste and to conserve and enrich the productiveness of the soil should be encouraged.

We suggest that in order not to subject fertilizer from whale carcasses to the proposed license tax, the words of the bill be amended by inserting the words "or whales" after the word "sharks" in line 14 on page 2.

If the whale-fishing industry is to be taxed in so far as it may be carried on in Alaska, we believe that it should be by way of an annual license fee on the vessels engaged in whale fishing in the waters of Alaska—a license fee of say \$100. This would make the law free from ambiguity and easy and inexpensive of administration.

Yours, very respectfully,

ALASKA WHALING COMPANY,
By A. UELAND, *Director*.

WEDNESDAY, JUNE 5, 1912.

COMMITTEE ON FISHERIES,
UNITED STATES SENATE,
Washington, D. C.

The subcommittee met at 8 o'clock p. m.

Present: Senators Jones (chairman), Bourne, and Overman; also, Hon. James Wickersham, Delegate in Congress from Alaska.

Also appeared: Mr. B. W. Evermann, Chief Division of Alaska Fisheries, Bureau of Fisheries, and Mr. Ward T. Bower, assistant agent, Alaska salmon fisheries; also, Messrs. John Sidney Webb, Aldis B. Browne, Charles W. Dorr, J. F. Moser, and T. J. Gorman.

STATEMENT OF MR. T. J. GORMAN, OF SEATTLE, WASH., PRESIDENT OF GORMAN & CO. (INC.).

Mr. DORR. Mr. Chairman, if time will permit, I would like to have Mr. Gorman make a few remarks to the committee.

State your name and your business, Mr. Gorman. Then I will ask you a question or two, and then you can tell the committee about your business in your own way.

Mr. GORMAN. I am in the salmon canning and salmon brokerage business.

Mr. DORR. Located in Seattle?

Mr. GORMAN. Seattle is our headquarters. We have offices in New York for the sale of salmon, also in Charleston, S. C.

Mr. DORR. How extensively is your company engaged in the salmon brokerage business?

Mr. GORMAN. Our business last year amounted to something in excess of \$3,000,000.

Mr. DORR. And how many packers do you represent?

Mr. GORMAN. We represent about 15 or 16 different canneries.

The CHAIRMAN. Is your brokerage business confined entirely to the salmon business?

Mr. GORMAN. Yes, sir. We do nothing else.

Mr. DORR. You have no other line?

Mr. GORMAN. No, sir; we have no other line.

Mr. DORR. Will you state, in a general way, how salmon is customarily sold and the terms of the sales?

Mr. GORMAN. Canned salmon is always sold at an f. o. b. price Pacific coast terminals, to the jobbing trade less $1\frac{1}{2}$ per cent discount. That is to say, the documents are placed in the bank—the bill of lading together with the draft—and are either payable within a specified time, generally 20 days from date of invoice or on arrival and examination of the goods. In either instance the buyer gets his $1\frac{1}{2}$ per cent discount when he pays the draft. All brokers that I know anything about, and particularly ourselves, and all the principal salmon brokers receive 5 per cent commission for selling the salmon.

Mr. DORR. Who pays that—the buyer or the packer?

Mr. GORMAN. The packer.

Mr. DORR. How long have you been engaged in this brokerage business?

Mr. GORMAN. I have been engaged in the business on my own account since the beginning of the year 1904. For some years prior to

that I was engaged in the business in connection with other companies.

Mr. DORR. Will you state, Mr. Gorman, if you know, why it is that salmon is sold through brokers instead of being sold by the packers direct to the trade?

Mr. GORMAN. One of the principal reasons is this: A buyer—say, a jobber in Philadelphia, to illustrate—may desire to buy 1,000 cases of salmon. He may want 200 cases of red, 200 or 300 cases of pink, a few hundred cases of medium red, and some chums and some sockeyes. Now, then, in hardly any instance will you find one packer who has all these different grades of salmon to supply this man's requirements. Hence it becomes necessary for him to place his business through a broker in order that the broker may concentrate the different grades of goods that this buyer requires for his use in order to make one shipment and thereby get the benefit of the lowest transportation rate and get all his goods at one time. That is one of the principal reasons that the broker is necessary.

Aside from that, business experience has taught every man engaged not only in the salmon canning business but in other similar business, that the packing and manufacture of the product is one end of the game and the selling is an entirely different proposition. Take a broker on the coast; for instance, take ourselves, if you wish. We have our main business in Seattle, but we have a broker in every principal city of the United States and in Europe through whom we sell.

Mr. DORR. That is a subbroker?

Mr. GORMAN. Yes, sir; a subbroker. When our broker in Philadelphia, for instance, sells a thousand cases of salmon for our account we pay him $2\frac{1}{2}$ per cent for his end of the work and we retain the other $2\frac{1}{2}$ per cent for our end, and in no other way could a selling agency on the Pacific coast reach the trade generally except through this subbrokerage proposition.

Mr. DORR. Could the packers do it as cheaply or as well?

Mr. GORMAN. It would be impracticable. I have stated the first reason, which is that under ordinary conditions he could not furnish the buyer the assortment required, because the average packer does not have the Puget Sound red salmon, red Alaska salmon, pink, or chum all at one time. Hence one packer alone would not under ordinary circumstances have all the grades one buyer may require. Aside from that, the selling is done mostly during the packing season when the packer, as a rule, is absent in Alaska at his cannery and is not in touch with the market or with selling conditions. Hence he needs a broker who keeps in touch with the market. The broker is the only man in a position to keep in touch all the time with the conditions of the market and give the results to the packer.

Now, answering that question further, in case a packer should decide to sell his own goods (unless he is packing, say, red salmon for the last two years, when red salmon has not been packed in sufficient quantities to supply the demand) when he is engaged in packing, he naturally can not keep in touch with the situation, and the result would be that if he waited until he came down from his cannery in the fall after the buying was all done he would find the trade was supplied and he had lost out, so to speak. He has not sold his goods because he was not selling when the buyers were

buying, and he can not, in the nature of things, keep in touch with both ends of the business at one time.

Mr. DORR. Now, will you please explain right there how the orders are handled? You spoke about salmon being sold during the packing season ordinarily. I want you to also explain to the committee how the prices are made.

Mr. GORMAN. Well, immediately following the first of the year generally, say in February, after the jobbers have taken stock of their stores they begin to buy futures; that is, they buy in this way: The buyer will say, "I think I will need a certain number of cases of these different grades of salmon for next fall shipment," and he simply specifies to the seller, to the broker, that he will require certain numbers of cases of the different grades of salmon at a given time, when they are ready for shipment. He buys subject to his approval of the price named by the packer first; further, subject to short pack, to pro rata delivery, to accidents by fire, wreck of vessels, or any other conditions. The seller only agrees to deliver, and then only in pro rata in case of a short pack, in the event of his cannery burning or his ship being wrecked while coming down, or any of the other conditions that are apt to enter into a sale of that kind the seller is protected against. The buyer can refuse the goods altogether if the price is not satisfactory to him.

Mr. DORR. The price is subject to the buyer's approval. That is the point I want.

Mr. GORMAN. The price is absolutely subject to the buyer's approval.

The CHAIRMAN. When the packers come down they ascertain just about what the demand is for the salmon by ascertaining what orders the brokers have on hand.

Mr. GORMAN. Well, hardly that, Senator. The broker, of course, from the nature of things keeps his client advised from time to time during the season as to how the market is going. For instance, packers are in Alaska now. They are being advised of the condition of the spot market, which to-day is lower than the opening prices of the year before, and the broker's judgment as to what it may be. Of course, the broker is supposed to keep in as close touch as possible with his client all during the season by correspondence, and then it is up to the packer to accept the prices. If the price should be particularly low, the packer may say, "Well, I do not want to sell at these prices," or "I will sell 50 per cent of my goods at these prices and hold the balance, because the price is too low."

The CHAIRMAN. Do the various packers or their representatives get together at any time in the year to ascertain what the condition of the market is and about what the price ought to be?

Mr. GORMAN. No; I have never known of a conference of that kind. We have, of course, cannery associations, where we get together and talk over the various things that interest cannerymen, but there has never, in my experience in the business, been any time when the packers have agreed upon prices.

The CHAIRMAN. Are the packers members of these associations to which you refer?

Mr. GORMAN. Yes.

The CHAIRMAN. How many of these associations are there?

Mr. GORMAN. Well, I said "associations." The associations are only associations in name. I am speaking more particularly now of Puget Sound. The salmon canners on Puget Sound meet every once in a while and confer, but there is no legal organization, you understand, in that sense. For instance, perhaps the packers at this time of the year meet with the seiners and the private trap owners and try to make an agreement on the price of raw fish for the spring season or the summer. That is one purpose of the Puget Sound Canners' Association—to get together with the fishermen; another is to discuss the practical methods of catching, canning, propagation, etc.

The CHAIRMAN. They have a regular association with a name, have they?

Mr. GORMAN. Yes; they give it a name merely for the purpose of naming it. It is only a local voluntary association, so-called. It has absolutely nothing to do with fixing prices on canned salmon.

The CHAIRMAN. They do not have regular meetings, with a president and secretary, etc.?

Mr. GORMAN. No regular set meeting times; but we meet occasionally and we have a president and secretary.

The CHAIRMAN. It is just merely a kind of coming together?

Mr. GORMAN. Yes, sir.

The CHAIRMAN. You do not know anything about an association of those interested in Alaska canneries?

Mr. GORMAN. On the contrary, the great trouble in Alaska has been that they have been rather pulling apart all the time. The only semblance of an Alaska organization that I know anything about is the coming together of a few of the packers for the purpose of being represented in this proposed legislation.

The CHAIRMAN. Most of the Alaska pack is sold by what we ordinarily call commission merchants?

Mr. GORMAN. Exactly.

The CHAIRMAN. The commission merchant gets his orders from the trade and then goes to the packers and has them fill those orders on commission?

Mr. GORMAN. Exactly. He gets his brokerage; he invests no money in the goods.

Mr. DORR. Does he buy the goods?

Mr. GORMAN. No.

Mr. DORR. He only handles the goods on commission?

Mr. GORMAN. Yes, sir. He invests no money in the goods. The packer owns the goods until the draft is paid.

The CHAIRMAN. And the prospective buyer in the East is not bound until he actually pays the price and accepts the goods?

Mr. GORMAN. Yes. When he gets the price and accepts it, then he signs a contract and that contract is subject to the conditions I named before, pro rata delivery, loss by fire, and all of these other conditions. He signs a contract at a price. When the two minds meet on a price there is a contract executed between both parties.

The CHAIRMAN. Then the sale is made?

Mr. GORMAN. Then the sale is made.

The CHAIRMAN. You can not refuse to deliver?

Mr. GORMAN. No. The buyers will sometimes repudiate their contracts, but that has no bearing on the system of doing business.

The CHAIRMAN. Have you a copy of one of those contracts with you, Mr. Gorman?

Mr. GORMAN. I do not happen to have one. I have copies in New York, however.

Mr. DORR. Would you like to have one, Senator?

The CHAIRMAN. I think we might like to have one of those contracts.

Mr. DORR. We can send to New York and get one.

Mr. GORMAN. I will wire to New York to-night to send me copies.

The CHAIRMAN. All right; we will have it put into the record.

Mr. DORR. Did I understand you to say a moment ago, or state as a fact, that the present price of canned salmon was lower than the last opening price or was that merely a hypothetical illustration?

Mr. GORMAN. No.

Mr. DORR. What are the facts about that?

Mr. GORMAN. The facts are: Take it on pink salmon, to illustrate; the opening price last fall was \$1 per dozen, less the regular $1\frac{1}{2}$ per cent cash discount and 5 per cent commission. The freight to New York by rail is 60 cents per case, or 15 cents per dozen; by water, with the insurance, it is approximately 40 cents per case, or 10 cents per dozen. Take the cheapest grade of salmon, with freight at 10 cents per dozen via American-Hawaiian Steamship Co.'s line, which would make these goods worth \$1.10 per dozen in New York last fall. You can buy them to-day in New York at 95 cents a dozen. That is equivalent to 85 cents coast on the lowest rate of freight and 80 cents on the rail rate.

Mr. WICKERSHAM. Are they selling at that price?

Mr. GORMAN. We can not sell at that price. We can not get buyers at that price. We have in New York ourselves for sale to-day a lot of pink salmon that we can not get that price for.

The CHAIRMAN. Would you sell at that price if you could get it?

Mr. GORMAN. Yes; we would be glad to sell. They are selling in a small way in 25 and 50 case lots at this price in New York.

The CHAIRMAN. Do you know what the retail price is?

Mr. GORMAN. As near as I can tell from what little investigation I have made, it is 15 cents a can.

The CHAIRMAN. Is that lower than it was last year?

Mr. GORMAN. No.

The CHAIRMAN. In other words, the retail price has not lowered?

Mr. GORMAN. It has not lowered from what it was last year.

The CHAIRMAN. Is it higher?

Mr. GORMAN. No; it is the same as it was last year. In fact the year before last the retailer advanced the price to 15 cents a can and it has been approximately that price since then. You may buy a can for $12\frac{1}{2}$ cents—two for a quarter—but ordinarily the price is 15 cents a can.

The CHAIRMAN. How do you account, Mr. Gorman, if you do at all, for the fact that the retail price stays up while the wholesale price has gone down?

Mr. GORMAN. Well, there are two ways to account for it. One is that the retailer endeavors to maintain possibly in his business a uniform price. Another reason is that last fall when the packer sold to the wholesaler—the wholesaler when he makes his contract with the packer anticipates the arrival of these goods and goes out and sells to the retailer say 10 cases, 20 cases, 25 cases, or any other number. It may be that the retailer having bought these goods at the prices at which they were sold last fall has them on his shelves yet in many instances. If he did not have them on his shelves now from his last fall purchases, the wholesale market would be in better condition it may be.

The CHAIRMAN. You think that practically all the retailers have on hand the supply they purchased last fall?

Mr. GORMAN. Well, they have part of it.

The CHAIRMAN. That is what I mean. They still have on hand a part of the supply purchased last fall from the wholesale trade.

Mr. GORMAN. Yes; I think that is a safe guess.

Mr. DORR. When is the consuming season for the canned salmon?

Mr. GORMAN. About the next four months of the year, June, July, August, and September. The warm months, in other words.

The CHAIRMAN. The people do not eat much salmon during the winter?

Mr. GORMAN. Very little.

The CHAIRMAN. Why is that?

Mr. GORMAN. Well, the can of salmon is cooked; it is ready for the table. A working man returning from his work stops into the store and can buy a can of salmon and take it home. If they have some bread and butter, radishes, and some other things they can make a meal without making a fire. In other words, it is hot-weather food. It is excellent for use on excursions and picnics and outings and all that kind of thing. Canned salmon is consumed largely for food purposes on such occasions. It is served cold. You can serve it cold or hot, but it is perfectly cooked and more palatable, to my notion, speaking personally, cold than hot.

Mr. BOWER. May I ask Mr. Gorman a question, Mr. Chairman?

The CHAIRMAN. All right.

Mr. BOWER. I would like to know what your experience has been and what your practice is in reference to labeling cans.

Mr. GORMAN. In what way?

Mr. BOWER. In the shipment of unlabeled goods.

Mr. GORMAN. Well, our practice is to absolutely refuse to ship unlabeled goods and has been for the past two years.

Mr. BOWER. Does not a certain proportion of the pack come out of Alaska unlabeled?

Mr. GORMAN. Yes; but I might qualify that by saying that a very considerable portion comes out unlabeled. The early shipments particularly. They are usually labeled at Seattle before they are shipped out. Now, to make that answer so you will understand it, I will say this: During the packing season in the canneries there are barely enough employees to take care of the fish and pack them. Hence if the cannery has an order for an early shipment, it becomes

necessary to send it down unlabeled and hire help at Seattle to label the cans and ship it out from there, for the reason that they have not got help enough at the cannery to complete the job there without sacrificing the raw fish. It very often happens that the cans come down without labels and without being lacquered.

Mr. BOWER. What would you think of a requirement that no salmon be shipped out of Alaska unlabeled?

Mr. GORMAN. Well, I think that requirement would work a very great hardship, more particularly on the small packer, for the reason that a small packer may have all his money invested in his plant. He may have to go to the bank to borrow enough money to buy his cans and his boxes and to make his labor advances. The bank, we will say, will lend him \$10,000, subject to the lending of some more money on the arrival down of some of his goods. If he has to wait until his pack is up and his goods are labeled to ship them down or put them into the warehouse at Seattle in order to borrow money against them to complete his pack he would be handicapped. He would not have sufficient money to pay his Indian labor and such other cash labor as he gets around the cannery during the pack.

For the large packer it does not make much difference. The very large companies bring practically all their stuff down on their own ships, label it at the canneries, as a rule, and bring it down that way. The question you raise would absolutely work a serious hardship on many of the small packers. It would take away from them the means of financing their pack and would not permit them to hypothecate the early pack to complete the late pack.

Mr. DORR. Regardless of where the salmon is labeled, whether in Alaska, Seattle, or other shipping points, what would you think of a requirement that the salmon should be sold only under packers' labels?

Mr. GORMAN. I have in my files correspondence with Secretary Wilson about three or four years ago urging that the only way to protect the consumer of canned goods is to have the manufacturer's label on every package.

Mr. DORR. Do we understand that you urged that upon the Secretary?

Mr. GORMAN. Yes; I urged that on Secretary Wilson in correspondence. I am absolutely in favor, in other words, that every man who puts up a can of salmon, a can of corn, a can of tomatoes, or any other canned product shall put his name on it.

Mr. BOWER. Is it not true that the brokers own a number of labels?

Mr. GORMAN. That is sometimes true; yes.

Mr. BOWER. In fact, does not the firm you represent, or your company, have a number of labels that are used?

Mr. GORMAN. You probably do not understand my position. We are extensive packers as well as brokers.

Mr. BOWER. I mean in addition you use labels?

Mr. GORMAN. We use labels only on our own goods. On our goods we use our own labels and on the goods of individual packers whom we represent we use their labels.

The CHAIRMAN. As brokers, however, you do not put any different labels on the cans?

Mr. GORMAN. Certainly not; no, sir.

The CHAIRMAN. Have you any customers who put their own labels on the can?

Mr. GORMAN. Not a great many. I think, Senator, while probably it is not a common practice, yet it is quite prevalent for the jobber to strip labels and put private labels on the goods after they arrive at his store.

The CHAIRMAN. Have you any customers to whom you send cans unlabeled?

Mr. GORMAN. No.

The CHAIRMAN (continuing). With the understanding or agreement that they are to put their own labels on?

Mr. GORMAN. I do not think in the last three years we have sold 5,000 cases of unlabeled salmon. There are, perhaps, a few exceptional cases with an old customer where we can not very well get away from it that we do; but we have been endeavoring to get absolutely away from that practice.

The CHAIRMAN. So as a general rule whatever salmon you sell, if a different label is put on, it is put on after it gets to the purchaser.

Mr. GORMAN. Yes.

The CHAIRMAN. That is, the original label is taken off and he puts a new one of his own on.

Mr. GORMAN. I will say, Senator, so as not to be misunderstood, that there are occasions when the buyer stipulates with the seller that the buyer's label is to be put on the cans, but they also stipulate that the labels shall show the true varieties or grades—coho salmon, red salmon, pink salmon, etc.—the label has to state the grade of salmon, anyway, and we make a condition with the buyer in the few instances where we do that, that the buyer has to ship the labels to us so that we can send them to the canneries in Alaska in time to put them on in regular course of business. That is, we refuse to put them on afterwards, and refuse to consider the request at all.

The CHAIRMAN. Can you give us an example of that practice? Can you give us the name of any purchaser and the character of his label?

Mr. GORMAN. Well, I would not care, Senator, to give the name of a purchaser. I will say this, that the character of his label is as follows: In every instance it describes the quality of the fish, whether it is a Puget Sound sockeye, red Alaska, coho, medium red, king salmon, or pink salmon; but this is applied mainly to the higher grades.

The CHAIRMAN. What would be the difference between this label and the packers' label?

Mr. GORMAN. None at all. Only this, that a jobber, say, in New York, has been running for 10 or 15 years what they call a house label. They may have a label "The happy home" label, to illustrate, which is used on tomatoes, corn, peas, salmon, and all the different lines of canned goods the house carries. It would be "Happy home sockeye salmon," or red salmon. That is the trade-mark of the house and they endeavor to carry that right through their trade on canned goods.

For that reason there are some special house labels. But the great majority buy the packers' labels and sell the goods under the packers' labels.

Mr. DORR. You would favor making that rule universal by law?

Mr. GORMAN. I would absolutely make it this way: That any man that puts up any kind of canned foodstuffs should be compelled to put his name on the package.

The CHAIRMAN. And that no other salmon be sold under another label.

Mr. GORMAN. That no canned goods be sold that does not bear the manufacturer's name and address.

Mr. BOWER. His name and address?

Mr. GORMAN. Yes.

Mr. BOWER. You would show the locality where the salmon was packed, as well as the packer's name?

Mr. GORMAN. Yes, sir.

I would like to have seen Congress when it enacted the pure food law just have gone one step further and provided that the manufacturer's name should be on the package in all cases. That would save a whole lot of trouble, in my opinion.

Mr. DORR. I understood you to say it would work a hardship on the small packer in Alaska to require the labeling of all cans before shipment out of Alaska?

Mr. GORMAN. Yes.

Mr. DORR. But it would not work a hardship if the requirement was made that the cans be sold under his label, regardless of the place of labeling, so that when the goods go out to the trade they go under packers' labels.

Mr. GORMAN. No; it would work no hardship if the requirement was made that the cans be sold under his label, provided he was not compelled to label them in any particular locality—in any particular place.

Mr. DORR. In other words, the goods might be sent to Puget Sound and labeled there later in the season?

Mr. GORMAN. That is the practice largely now, for the reasons I have given you. The packers have found it necessary to hypothecate their early pack to complete the later work. I am speaking now of small canneries which put up 30,000 or 40,000 cases.

Mr. DORR. In southeastern Alaska?

Mr. GORMAN. In southeastern Alaska only.

Mr. BOWER. Still, it would be preferable to have it done before the goods were shipped out of Alaska?

Mr. GORMAN. No; if that were possible I do not see that it would be of any great effect whether they were shipped labeled or unlabeled, provided the law covered the particular requirement that the packer's name must be on the can. I am absolutely in favor of the enactment of that kind of a law.

The CHAIRMAN. We are very much obliged to you, Mr. Gorman.

Before Judge Wickersham commences his statement, I have a letter here from the Attorney General's Office giving some information that we were to get from them as to the amount collected through the Department of Justice in Alaska during the last five years. I will have that put into the record.

The contract mentioned in the foregoing statement is as follows:

[Salmon contract.]

No. _____.

GORMAN & Co. (INC.),

PACKERS AND DISTRIBUTERS OF CANNED SALMON.

COLMAN BUILDING.

Seattle, Wash., _____, ____.

Sold to _____.

By _____ Broker _____.

Number of cases.			Brand and grade.	Price per dozen.
Talls.	Flats.	Halves.		
.....
.....
.....

Prices are f. o. b terminal shipping points Pacific coast.

Terms: Draft against bill of lading, or order, cash less 1½ per cent if draft paid within 10 days from date thereof, otherwise net cash on arrival, payable in New York, Chicago, or Seattle exchange.

Conditions: All claims for swells at f. o. b. cost, plus original freight only, must be presented by June 30 following pack, and tins held to order of seller. All claims for defects other than swells to be made within 10 days after receipt of goods.

Short delivery: Sellers not liable for short delivery if caused by destruction of cannery, floods, strikes, short pack, or other unavoidable cause. Proportionate quantities only of goods unshipped when shortage becomes known to be delivered in case of short pack.

All disputes to be settled by arbitration in the usual way, the loser paying cost of arbitration. Final rejection of goods shall cancel only that portion of contract arbitrated on, relieving the seller of further responsibility.

Signed in triplicate.

Accepted.

_____, Sellers.

_____, Buyers.

_____, Brokers.

The letter follows:

DEPARTMENT OF JUSTICE,
Washington, D. C., May 24, 1912.

HON. WESLEY L. JONES,
Chairman Committee on Fisheries, United States Senate.

SIR: I have in hand your letter of the 21st instant, asking for a statement showing the aggregate amount of taxes of all kinds collected by the National Government or for the National Government in Alaska during the last five years and requesting that the important items be segregated.

Not all revenues from the District of Alaska are reported through this department. Collections on account of licenses under the general internal-revenue laws are reported to the Treasury Department, and it is probable that various other revenues are reported otherwise. The only revenue reports from Alaska passing through this department are those of the clerks of the district court. There are four separate reports made by each clerk for each quarter, which carry collections as follows:

(a) All license moneys received for business carried on within any incorporated town. All said moneys are paid over to the treasurer of the town to be used for municipal and school purposes. The clerk forwards the treasurer's receipt to this department with his account.

(b) All license moneys received for business carried on outside of incorporated towns. All moneys of this class are deposited with the Treasurer of the United States, and remain there as a separate and distinct fund known as the "Alaska fund." This money is used in accordance with the provisions

of the act of January 27, 1905 (33 Stat. L., 616), for the construction of roads, maintenance of schools, etc., in Alaska.

(c) These collections consist of fines and forfeitures, fees of commissioners and deputy marshals, in excess of their maximum, and sundry other fees for services performed by the clerk or deputy clerk.

These moneys are used for the payment of the incidental expenses of the court, and are disbursed by the clerk upon the order of the judge.

(d) These collections consist of all funds other than license moneys received by the clerk which are not available for court expenses, concerning the disposition of which the law makes specific provision; such as moneys accruing from violation of the customs laws, or internal-revenue laws, moneys arising from civil post-office suits, etc.

The total amount reported as having been collected in each of the above-mentioned funds for the last five calendar years is as follows:

Years.	(a)	(b)	(c)	(d)
1907.....	\$351 347.55	\$176,056.36	\$54,174.44	\$7,776.22
1908.....	171,670.11	203,436.67	44,509.79	8,260.28
1909.....	145,384.56	182,806.08	55,312.84	2,707.95
1910.....	164,391.35	254,653.28	81,189.06	207.53
1911.....	185,120.88	238,521.81	60,344.64	4,693.29

The segregation of the license moneys (funds a and b) so as to show the amount received for specific classes of business could only be made by analyzing the quarterly reports of the clerks. This would, of course, involve considerable labor and take some little time. If, however, you wish this work done, and will advise me more definitely as to the particular class or classes of licenses in which the committee is interested, I will endeavor to have the segregation made accordingly.

Respectfully,

GEO. W. WICKERSHAM,
Attorney General.

The CHAIRMAN (continuing). I have also a statement from the Treasury Department showing the receipts on account of Alaska for the fiscal years 1907 to 1911. That I will put also into the record.

The statement follows:

Statement of receipts on account of Alaska for the fiscal years 1907 to 1911, inclusive.

	1907	1908	1909	1910	1911
Customs.....	\$98,449.46	\$70,439.73	\$67,025.79	\$56,348.23	\$45,016.22
Internal revenue, ordinary.....	18,544.16	15,723.95	18,217.40	18,377.44	19,096.68
Corporation tax.....				1,955.49	3,938.56
Sales of public lands.....	54,195.21	17,182.83	79,116.26	131,264.05	136,578.91
Tax on sealskins.....	148,017.10	153,006.90	153,375.00	153,375.00	1403,946.94
Rent of Fox Islands.....	100.00	100.00			
Funds available for court expenses.....	15.00				
Funds not available for court expenses....	2,479.60	14,384.26	1,570.75	1,817.49	4,152.35
Alaska fund.....	164,656.52	205,773.63	155,305.26	260,040.26	175,490.59
Customs, fines, penalties, etc.....	65.75	22.20		27.21	
Customs fees.....	2.00	17.20	.80		2.20
Services of customs officers.....	4,705.35	1,341.75	3,279.50	3,313.00	3,082.00
Navigation fines.....	730.00	200.00	103.05	610.00	895.00
Navigation fees.....	2,476.18	1,932.85	1,860.09	2,282.12	2,453.16
Steamboat-inspection fines.....	625.00	1,385.00		700.00	1,950.00
Wharfage.....	1,966.30	2,165.90	1,071.25		
Immigrant fund.....	130.00	744.00	1,292.00	1,024.00	160.00
Registers and receivers' fees.....	2,136.93	2,685.92	1,378.61	793.69	463.40
Depredations on public timber.....	7,548.03			115.30	
Sale of agricultural products, experiment station.....	4,796.28	1,446.39	1,154.84	866.42	2,536.41
Sale of Government property.....	53.90	7.56	26.25	123.25	6.50
Game licenses.....			887.00	3,017.00	5,077.50
Sales of timber.....	3,162.85	6,300.50	10,510.90	14,911.97	16,071.32
Miscellaneous receipts, Forest Service.....	488.67	4,438.63	1,700.19	1,489.76	3,000.73
Collections for transcripts and plats.....		144.10	220.00		
Total.....	515,344.29	499,443.30	498,094.94	652,451.68	823,918.47

¹ Sale of sealskins, act of Apr. 21, 1910.

The statement follows:

MY DEAR SENATOR: Pursuant with the request which Senator Jones made of me when I appeared before the subcommittee in behalf of the Alaska-Portland Packers' Association, of this city, in the hearing regarding the proposed new Senate bill No. 5856, relating to fisheries in Alaska, I would submit the following as the amount of gain or loss per case during each year since we have operated a cannery on the Nushagak River, Alaska. These figures are the actual figures as taken from our books and are obtained by dividing the gain or loss for each year by the actual number of cases packed:

Year.	Loss per case.	Gain per case.
1901.....	\$1. 61	.....
1902.....	1. 04	.....
1903.....	.....	\$0. 25
1904.....	. 57	.....
1905.....	(1)	(2)
1906.....	.....	. 17
1907.....	1. 36	.....
1908.....	.....	. 62
1909.....	.....	. 45
1910.....	.....	. 40
1911.....	.....	1. 04

² No gain.

GEO. A. WARREN.

The CHAIRMAN. If you have some amendments you propose to offer to the bill, you might state generally what they are, and if you have any papers you would like to read into the record I think we had better take that up at this point.

Mr. WICKERSHAM. I have some communications from grand juries and citizens of Alaska and a large number of petitions signed by the people. Some of these communications set out in a brief show their ideas of what ought to be done in this matter, and I think they ought to go into the record.

The CHAIRMAN. I think so, too. They will be put into the record.

Mr. WICKERSHAM. I think so, because I am not a fisherman and I know very little about this matter, except what people write to me.

The CHAIRMAN. That is the only way we can get their views before us.

Mr. WICKERSHAM. I have some copies of the grand-jury reports which have been forwarded to me from the courts up there and I think I will read those portions which relate to the fisheries.

I call attention first to the report dated November 1, 1911, which is the report of the grand jury convened at Valdez, Alaska. I will only read so much of that report as relates to the fisheries.

The grand jury says under the heading of "Fishing industry":

Regarding the fishing industry of Alaska, we believe that the canneries should be required to pay a license tax of 10 cents per case, as these industries are exhausting one of the most valuable resources of the Territory without expending any money whatever in the Territory.

The revenue thus derived could be used in improving highways, constructing public buildings and paying the expenses of the Government. We believe this is only fair for the reason that the salmon industry in Alaska, while taking out several million dollars per annum, gives us nothing in return.

The cannery employees are shipped in at the opening of the season in vessels owned by the companies employing them; at the close of the season the same employees are shipped out along with the products of their labor.

The companies bring in commissaries for the subsistence of such employees while at work as well as supplying them with clothing and other articles of necessity or luxury. They are of no possible benefit to the Territory, and the above-mentioned sum (10 cents per case) is less proportionately, we firmly believe, than the license charged for other businesses engaged in by actual residents of the Territory.

This is a certified copy of the grand jury report.

Mr. MOSER. What grand jury did you say?

Mr. WICKERSHAM. The Valdez grand jury. November 1, 1911. The report is signed by Charles C. Rudolph, foreman.

The next grand jury report is the Cordova grand jury, dated November 28, 1911. I will read the part of that report which relates to fisheries, which is as follows:

We recommend that the rate of taxation as at present levied on the canning corporations be materially increased. We believe that the present rate is ridiculously low. We recommend that the Government exercise a closer supervision in connection with this industry and use every precaution to prevent wasteful slaughter. The Government should see to it that tax returns are made from every canning establishment in accordance with the output, whatever the basis of taxation may be. We recommend that the Government establish a fish hatchery on Lake Eyak near the town of Cordova.

Then I call the attention of the committee to the grand jury report made by the grand jury under Judge Lyons at Juneau, Alaska, on the 16th day of February, 1912. So much of it as relates to the fishing industry is as follows:

We respectfully but earnestly recommend that the laws relating to the fishing industry in the waters of Alaska be amended. As these laws now stand, they seem to permit the taking and catching of herring and use thereof for fertilizer and oil. The herring is a highly valuable fish for food purposes, and we consider that the use of these fishes for any other purpose is extremely

wasteful and uneconomical. The law as it now is taxes the pack of the canneries at the rate of 4 cents per case if the canneries do not maintain hatcheries and propagate and liberate fry according to the provisions of the law relating thereto; if they do propagate and liberate fry according to said provisions, the canneries are entirely relieved from the burden of said tax. The pack of all canneries should be taxed—the salmon known in the market as “reds” at the rate of 10 cents per case and those known in the market as “pinks” at the rate of 6 cents per case, and the pack or product of salteries, mild-curing establishments, and all other fish-preserving plants at such a rate as shall be just, proper, and proportionate to the said tax herein recommended for canned salmon; provided, however, that no tax should, in our opinion, be imposed upon fresh halibut.

The propagation in Alaska of salmon and other fish of commercial value should be conducted by the Government exclusively, and it should be carried on much more extensively than it is at present. We, therefore, believe that all of the money derived from the tax on the pack of the canneries and other fishing enterprises in the waters of Alaska should be applied and devoted to the propagation of fish in the streams and lakes of Alaska, and that in addition thereto an appropriation should be made by Congress which should be applied to further extending and developing the hatcheries of fish in those streams and lakes. We believe that this appropriation should be in a sum not less than \$1,000,000 and should be used in increasing the number of hatcheries along the Alaskan coast; and that the money derived from said tax should be used for the purpose of maintaining the hatcheries now in existence and those to be established by means of said appropriation, and for no other purpose.

We earnestly recommend that the Sunday close season as applied to the fishing industry be made universal throughout the waters of Alaska. As the law stands at present the closed Sunday applies to the waters of Southeastern Alaska only; obviously in the interest of justice and uniformity and for economic reasons, it should apply to all the waters of Alaska.

We further recommend that the law be so amended that no person (except the native tribes of Alaska and their descendants), whether fishing on his own account or as agent or employee for any person, firm, association, or corporation, be permitted or allowed to fish in the waters of Alaska unless he be a citizen of the United States or has declared his intention to become such citizen.

The CHAIRMAN. What grand jury is that?

Mr. WICKERSHAM. That is the Juneau grand jury. These are all recent reports. Similar reports have been returned by grand juries up there for years. These are only the late ones.

Mr. DORR. This last one, I am afraid, comes from some people who are engaged in the halibut fishing.

Mr. WICKERSHAM. That may be; it speaks for itself.

I now call the attention of the committee to the Valdez grand jury report of March 21, 1912. That report is signed by Henry Deyo, foreman. So much of it as relates to the fisheries is as follows:

Your grand jury finds in operation a law providing for the rebate of license fees and taxes to any salmon canning company which maintains a hatchery. In the opinion of this body the law has the effect of depriving the Territory of Alaska of a very considerable revenue. Owing to the laxity allowed by its provision for submitting proof of the liberation of fry and to the lack of inspection and supervision under which the hatcheries operate, it practically allows the canneries in Alaska to name for themselves the sum which shall be paid into the public fund by these companies as license fees and taxes. In the opinion of this grand jury the law should be replaced by one providing for a just and reasonable tax and license fee to be paid annually in cash by companies operating salmon canneries in Alaska, and providing for the maintenance of salmon hatcheries at the expense of the Government and under supervision of Government experts. We would urge the Delegate to Congress to use every possible means to bring this matter to the attention of Congress with a view to having such legislation enacted as will place the business of canning salmon

upon an equal footing with other industries in Alaska as regards license fees and taxation, and at the same time provide for the proper Government supervision of the propagation of the salmon species.

Now, Mr. Chairman, I have a large number of petitions from people up in Alaska. I have one here, signed by 257 persons, including merchants, mining men, engineers, butchers, clerks, photographers, newspaper men, loggers, carpenters, and so on—all classes of citizens residing at Ketchikan. I will read the letter which accompanied the petition, because it is impossible to put all that long list of names into the record. I will not ask to have that done, but I will ask to have their prayer put in. [Reading:]

THE POWER BOAT CLUB,
Ketchikan, Southeastern Alaska, December 16, 1911.

HON. JAMES WICKERSHAM, M. C.,
Washington, D. C.

DEAR SIR: We, the undersigned, a regularly appointed committee, at a rousing public meeting held in this city on November 3, 1911, herewith inclose you a copy of a petition embodying a resolution which was unanimously adopted at that meeting, and which we have exerted ourselves to circulate for signatures generally throughout southeastern Alaska. The inclosed copy has been signed by almost every person to whom it has been presented, and we have placed copies in other localities which will doubtless be mailed to you direct. We had hoped to be able to present the same to you personally, but believing that you could not conveniently call upon us before the convening of the present Congress, we are now mailing it to you with the hope and sincere belief that you realize the gravity of the situation and the great necessity of a strong legal barrier against foreign invasion of our fishing interests on this coast, and, indeed, if immediate revision of our fishing laws, such as will protect the industry in all its phases for the present in a manner to conserve the supply for the future, are not enacted, not only will Alaska's development be greatly retarded, but southeastern Alaska's greatest asset will be ruthlessly pillaged and forever ruined. This by no means concerns Alaska alone, but is a factor of much importance to our entire Nation. We earnestly solicit your zealous support in behalf of our petition with the belief that you are personally as anxious as we to secure the protection asked. We thank you in advance for your valuable assistance, and will gladly respond to your call for such assistance as is in our power to render.

Yours, very truly,

W. H. GILMOUR,
JOHN W. STEDMAN,
FOREST J. HUNT,
W. J. BUGGE,
Committee.

P. S.—We are informed by one of our local attorneys that his impression, from a casual examination of the law, is that there is nothing to prevent a Japanese from declaring his intentions for citizenship. We call you attention to this that you may be governed accordingly and look after this feature if necessary.

Very truly,

COMMITTEE.

Here is the petition which is directed to me. [Reading:]

HON. JAMES WICKERSHAM,
Delegate to Congress from Alaska:

We, representative citizens of southeastern Alaska, or natives thereof, fearing that the fishing industry of this region is threatened by the presence of alien fishermen taking fish from the waters of Alaska, contrary to the best interests of Alaska and Alaskans, respectfully ask that legislation be enacted in Congress—provided present laws are found inadequate—as shall require every man taking fish in commercial quantities from the waters of Alaska, as a laborer or otherwise, to be either a citizen of the United States, or one who shall have declared his intention to become such, or a native of Alaska.

That is the petition, that is signed by 257 persons, to which I called your attention.

I have one here which is exactly similar to the petition I have just read—it is printed and they are all exactly alike—from nine signers at Chomly. Then I have another which is somewhat different, so that it will be necessary to read it. [Reading:]

KETCHIKAN, ALASKA, *November 2, 1911.*

Whereas it is common report that certain aliens and nonresidents of Alaska are now engaged in the occupation of fishing in the waters of Alaska contrary to an act of Congress, an act especially framed to prevent such fishing; and

Whereas this seems likely to continue and extend to an undesirable degree, we, the undersigned citizens and natives of Alaska, desire to call a meeting to discuss this vital matter.

That is signed by 30 persons and forwarded to me also. Then here is the ordinary petition, which I read first, in opposition to aliens fishing in Alaska, signed by 39 persons who reside at Sitka or in that neighborhood. Then I have a petition of a similar kind, signed by 106 persons, from Petersburg, Alaska, signed by all classes of citizens generally. Another signed by a large number of persons at Sumdum, I think, or in that neighborhood. Then I have a similar petition, signed by 133 persons, from Valdez, accompanied by some letters. The letter is directed to me, dated Ketchikan, January 10, 1912, and is as follows:

KETCHIKAN, ALASKA, *January 10, 1912.*

HON. JAMES WICKERSHAM, M. C.,
Washington, D. C.

DEAR JUDGE: In behalf of the committee having the matter in hand—of which I am a member—I inclose you a copy of Judge Lyon's decision in a case brought before him against a Japanese, at the last term of court here, for illegal fishing, which shows his interpretation of the law as it now stands.

I also inclose the petition that was signed up at Valdez and just received here. We place the matter in your hands, with full confidence that your utmost ability and interest will be directed to securing needed legislation for the best interests of all the people of Alaska, both now and hereafter. I remain as ever,

Yours, sincerely,

FOREST J. HUNT.

Then, the petition of 133 citizens is inclosed; also the opinion in the case of *United States v. Miyata*, a Japanese, which is a short decision by Judge Lyons.

The CHAIRMAN. That decision will be put into the record.

The decision is as follows:

In the District Court for the District of Alaska, division No. 1, at Ketchikan.
United States of America v. Miyata, a Japanese, defendant. No. 257 KB decision.

John Rustgard, Esq., for the Government; Messrs. Ingersoll & Cosgrove for the defendant.

Lyons, district judge.

Orally.—In this matter, gentlemen, of *The United States v. Miyata*, the defendant is informed against under the act which prohibits aliens from fishing in Alaskan waters.

The defendant has, in response to the request to plead, offered a statement of facts, admitting that he was fishing within the waters charged in the information and admitted also that at that time he was not a citizen of the United States and hadn't declared his intention to become such, but was a resident of the United States or of the District of Alaska continuously for 10 years last past, but at that time he was working and fishing for the Alaska Pacific Fisheries Co. at the rate of \$50 per month. The statement also alleges that the Alaska Pacific Fisheries Co. is qualified to fish in Alaska. The only question, then, is as to whether or not the act of June 26, 1906, providing that only certain classes of people shall be permitted to fish within Alaskan waters, pro-

hibits the employment by a qualified fishing company or qualified fishing person of aliens as laborers in fishing.

The proviso under which the defendant claims to be relieved of any criminal responsibility reads as follows:

"Provided further, That nothing contained in this act shall prevent any person, firm, corporation, or association lawfully entitled to fish in the waters of Alaska from employing as laborers any aliens who can now be lawfully employed under the existing laws of the United States, either at stated wages or by piecework, or both, in connection with Alaskan fisheries, or with the canning, salting, or otherwise preserving of fish."

In order to determine the guilt or innocence of the defendant under the statement of facts submitted it is only necessary to consider the words "in connection with Alaskan fisheries"; and in order to ascertain what is meant by "fishery." It is necessary to—it is helpful at least to determine what is meant by "fishery"; whether fishery means the industry of canning or some other industry for the preservation of fish, or whether it has reference also to the particular place for fishing and the catching of fish.

Webster defines "fishery" as the act, process, occupation, or season of taking fish or other sea products. "Fishery, a place for catching fish or catching other sea products." That is given as the popular definition. The legal definition as given by Webster is:

"The right to take fish at a certain place or in particular waters by drawing a seine or net, called a several fishery when founded on ownership of underlying soil and therefore exclusive; free fishery when an exclusive privilege derived from royalty or special grant to fish in special waters independent of soil" and proceeds further to describe the various kinds of fisheries. Bouvier defines "fishery" as a place prepared for catching fish with nets and hooks. "This is commonly applied to the place of drawing a seine or net," and the author then proceeds to define the various kinds of fisheries; common fishery, free fishery; and several fishery, all dealing with the particular place where the fish are caught.

The Supreme Court of United States and our own Federal court have treated the word "fishery" without defining it as the place where the fish are caught. Now, it must be assumed that Congress used the word "fishery" as the law-writers and other text-writers have construed it. It must be assumed that Congress gave it the same meaning that it has in the law books and when the statute says "in connection with Alaskan fisheries" it seems to me there is no warrant for taking the position the Government does that that means the limitation of the right to employ labor in connection with the preservation of fish in some way, for the statute says also "in connection with canning, salting, or otherwise preserving of fish." Now, the only way or the only method by which the clause "in connection with Alaskan fisheries" can be given any place within the statute is to hold, in my judgment, that it refers to work or labor performed in connection with the fisheries. Any sort of labor in connection with the taking of fish from the place where it is defined as a fishery, in my judgment, is excepted from the denunciation of this act, because I can't construe the statute or I can't construe that the principles of the statute would have any meaning unless they mean that all aliens are allowed to fish in connection with fisheries, in any connection whatever with the taking of fish from the waters. If Congress wanted to limit their connection with fishing, it might have said so. It hasn't. It says "in connection with Alaskan fisheries." And I can place no other construction upon that, gentlemen.

Then this man had a right to work as a laborer for another for some other qualified fisherman in fishing and taking the fish from the waters of Alaska. If that is not a good policy it is not for the court to say whether it is advisable to keep foreign labor out of the waters of Alaska entirely; that is a matter that should be addressed to the legislature and not the court. The only thing the court can do is to read the statute and construe it as it sees it. And the only way that I can make every clause of that section of the statute operative and effective is by holding that under this statement of facts, if it be true, it is a perfect defense.

DISTRICT ATTORNEY. May I have an exception to your honor's ruling?

COURT. Yes.

Given orally in open court at Ketchikan, Alaska, on the 11th day of November, 1911, by the honorable

THOMAS R. LYONS,
Judge of the District Court.

Then I have another short petition signed by five persons in favor of the general proposition.

Mr. DORR. Judge, it is not claimed, is it, that any of the canners are hiring Japanese to fish?

Mr. WICKERSHAM. It is stated that these are working for the Alaska Pacific Fisheries Co. Is that a cannery company?

Mr. DORR. I understand that that is simply a fresh-fish company.

Mr. WICKERSHAM. I do not know of any reason why the rule should not apply to canneries as well as any fishing concerns.

Mr. DORR. I just asked whether it was claimed by anybody in Alaska that the canners are employing Japanese fishermen?

Mr. WICKERSHAM. The reports of the Fish Commission show 3,000 alien employees every year.

Mr. DORR. But that is inside work in and about the canneries—not in fishing.

Mr. MOSER. They do not work as fishermen. I do not know of any Japanese being employed by the canneries in Alaska as fishermen.

Mr. WICKERSHAM. How many do you employ in inside work, as you call it?

Mr. MOSER. They vary from year to year.

Mr. WICKERSHAM. You do employ Chinese and Japanese in that work?

Mr. MOSER. Yes, sir.

Mr. WICKERSHAM. To what extent?

Mr. MOSER. Our cannery crews are made up of Chinese, Japanese, and Filipinos—that has all been gone into in the hearings—but not as fishermen.

Mr. WICKERSHAM. Here is another petition signed by 63 persons of Fish Egg Island; it is a general petition against aliens fishing in the waters of Alaska. There is also a letter from Forest J. Hunt, who sends it to me. If you will permit me I will read a portion of this letter.

The CHAIRMAN. If you wish to have any portion of these letters appear in the record, Judge, of course you may put them in.

Mr. WICKERSHAM. This letter is dated December 28, 1911, signed by Forest J. Hunt, a merchant at Ketchikan.

KETCHIKAN, ALASKA, *December 28, 1911.*

HON. JAMES WICKERSHAM,

Washington, D. C.

DEAR JUDGE: We have already mailed you a petition, numerously signed here, asking for better laws for the protection against the intrusion of foreigners on our fishing grounds, and I inclose herewith the petition that was circulated at Fish Egg Island, and also a copy of the call for the meeting at which the resolution was adopted, as it contains the signatures of some prominent people who were not present when the petition was circulated. I wish to say, personally, that there is nothing of more vital necessity to southeastern Alaska than protective laws that will conserve the fish supply. The high prices of canned salmon has created a mania for the canning business, and while it is helping business conditions here now, unless laws are enacted at once to protect the present and conserve the future supply it will be a matter of but a few years until our waters will be denuded of one of Alaska's greatest resources. The fish traps should be abolished or very much restricted, and the drawing of seines in the mouths of fresh-water streams prohibited. There should be a greater force of Government officials stationed in Alaska to enforce protective laws, provided with means of transportation without being compelled, as at present, to rely upon the boats of the canning companies whom they are supposed to prosecute for infractions of the laws. At present prices of canned

salmon and normal conditions, a cannery can be built and equipped and paid for from the proceeds of the first season's pack and a nice margin of profit realized by the investors. Of course, the abolishing of the fish traps would reduce this enormous margin of profit, but it would leave an attractive profit still, and to supply the necessary amount of fish would give employment to many more fishermen and be a factor toward increasing Alaska's population while allaying the unnatural mania for the canning business. Of course, there is not a stockholder in a salmon cannery in Alaska, I suppose, who does not oppose the abolishing of the fish traps for the same reason that the usurer who exacts 20 per cent for the use of his money objects to any legal restraints. If it is possible, some restrictive laws should be passed for the taking of halibut. The supply is, even now, showing a perceptible decrease.

Now, he talks about enormous prices and all that kind of thing, and the captain over here smiles at me. I have another witness on that subject. I have here Gov. Clark's testimony, taken before the Senate Committee on Territories, in which he discusses this question of salmon fishing to a very lengthy degree, and, among other things, he says:

At one large cannery in Alaska, this last season, the proprietor packed 125,000 cases of salmon. He is reputed to have made an average of \$2 a case on the fish; that is, he made a profit of \$250,000. His taxes were \$5,000.

Gov. Clark goes more fully into these matters, and in his report, which I will call to your attention after a while, he recommends some restrictive measures.

The CHAIRMAN. He went into that before this committee also.

Mr. WICKERSHAM. I do not remember about that.

Mr. WEBB. Yes.

The CHAIRMAN. Yes; he has appeared before the subcommittee.

Mr. WICKERSHAM. I will read now from the platform adopted at Cordova, quoting from the sixteenth plank of the platform adopted by one branch of the Republican Party at Cordova on the 29th day of March, as follows:

16. It is the duty of the Federal Government to provide such protection to the salmon in the waters of Alaska as will result in the conservation and perpetuation of this source of great natural wealth, and to that end we demand:

(a) That the present law be so amended as to prohibit the erection or maintenance of traps in the fresh-water streams of Alaska, and to prohibit the taking of fish from said streams by any other method than ordinary gill nets.

(b) That hatcheries shall be erected, maintained, and operated by the Federal Government, and that the present inadequate tax upon the cannery product be increased and the proceeds thereof be placed in a fund for the maintenance of said hatchery and other Territorial purposes.

Mr. DORR. Do they adopt the platforms up there to stand on or just to get in on?

Mr. WICKERSHAM. Now, Senator, I greatly fear you cannery men are closer to that branch of the Republican Party in Alaska than I am. You can probably answer that question better than I can.

The CHAIRMAN. You think that represents the sentiment of the people of Alaska?

Mr. WICKERSHAM. I think that represented the sentiment of Mr. Shackelford's convention.

The CHAIRMAN. I understand it represents your sentiments?

Mr. WICKERSHAM. To some extent.

The CHAIRMAN. I understood you to say that you indorsed the principles, but that you preferred another candidate?

Mr. WICKERSHAM. Yes.

Now, I have another one of these petitions signed by the Hoquiam Commercial Club, Hoquiam, Wash., signed by L. H. Brewer, president, and C. D. McClure, secretary. That letter merely forwards another one of the alien petitions. Then I have one signed by the Aberdeen Chamber of Commerce.

Mr. DORR. Are these petitions protesting against aliens fishing in Alaska or in the State of Washington?

Mr. WICKERSHAM. I will read it. [Reading:]

We, representative citizens of southeastern Alaska, or natives thereof, fearing that the fishing industry of this region is threatened by the presence of alien fishermen taking fish from the waters of Alaska, contrary to the best interests of Alaska and Alaskans, respectfully ask that legislation be enacted by Congress—provided present laws are found inadequate—as shall require every man taking fish in commercial quantities from the waters of Alaska, as a laborer or otherwise, to be either a citizen of the United States, or one who shall have declared his intention to become such, or a native of Alaska.

Signed by the Aberdeen Chamber of Commerce, consisting of 255 members.

DUDLEY G. ALLEN, *Secretary*.

Mr. GORMAN. I signed one of those myself.

The CHAIRMAN. There does not seem to be any difference of sentiment with reference to excluding aliens from fishing, if we can do it legally.

Mr. WICKERSHAM. I wish now to call attention to another platform which has been adopted by the Democratic element in Alaska. I may say that we have five platforms in Alaska now. This is the Democratic platform of that convention which nominated Mr. Jennings. Under the head of "Fisheries" they say:

Our fisheries, if properly managed so that waste and wanton destruction are avoided, will furnish employment to our people for years to come, and will result in a permanent population of many thousands deriving their livelihood from that industry. That industry should, therefore, be carefully fostered and promoted to a higher state of efficiency.

To favor a more rigid inspection and supervision of the fisheries to the end that such laws as now exist may be more stringently enforced.

We believe that the contrivances known as fish traps are wasteful and should be prohibited, or, at least, should be so stringently regulated as to cause the minimum of injury to the fishing industry.

We favor the enactment of a law forbidding the catching of herring or other food fishes to be converted into oil or guano.

We believe that the Government should establish and conduct more fish hatcheries to the end that the supply of salmon may continually exceed the quantities of fish caught.

We believe that the tax on canned salmon should be increased to an amount more in proportion to the tax on the other forms of wealth. We think that the tax should be at least 10 cents per case, and that the law which permits those taxes to be paid in affidavits of the amount of salmon fry released, should be repealed.

We also favor a tax upon barreled herring and codfish put up for food purposes for export.

We are opposed to the importation of cheap foreign labor, to be employed at the canneries, to the exclusion of citizens and bona fide residents of Alaska, and we earnestly urge that the laws prohibiting aliens from fishing in the waters of Alaska be rigidly enforced.

Now, I suppose, Mr. Chairman, that these platforms represent the general sentiment up in that country.

I have some statements published in a newspaper and while they are newspaper articles yet they are suggestive as stating the sentiment and conditions, and if you care to hear them I can read them

without putting them into the record and without taking up too much space.

The CHAIRMAN. If you read them they will go into the record. If there is anything in them which you think ought to go into the record of course you may read them.

Mr. WICKERSHAM. All right; I will put some of them in, then.

I call your attention to a statement that I saw in the paper the other day, dated March 27, under a San Francisco headline of March 27, reading as follows:

FISHERMEN ON OUR COAST STRIKE—ALASKAN PACKERS' ASSOCIATION REFUSES TO GRANT THE USUAL GUARANTY FOR THE COMING SEASON, WHICH MEANS A STRIKE—THE RICH PACKERS HAVE FIFTEEN HUNDRED STRIKE BREAKERS READY TO SHIP TO THE NORTHERN FISHING GROUNDS.

SAN FRANCISCO, *March 27.*

The Alaska Packers' Association has refused to grant the usual guaranty of \$200 for the season's work to the fishermen who have handled the Alaska salmon catch for years, and a strike of the fishermen is expected. The association, in the event of a strike, has 1,500 fishermen here whom they are ready to ship to Alaska at a moment's notice.

I read that so that I may call Capt. Moser's attention to it. All I know about it is what I see in the newspapers.

Mr. MOSER. There is not a word of truth in it. We have not had a strike among our fishermen nor a threatened strike; on the contrary, we have always made the most amicable arrangements with them through their unions.

Mr. WICKERSHAM. It does not say they had a strike, but that a strike was expected.

The CHAIRMAN. In other words it never occurred.

Mr. DORR. What is the date of that?

Mr. WICKERSHAM. March 27.

Mr. MOSER. That article was drawn from a disturbance among the I. W. W.'s, who came among our cannery hands and tried to prevent them from going north. They created a disturbance, and the police interposed.

Mr. WICKERSHAM. What is the fact about the amount which you have guaranteed the fishermen this season?

Mr. MOSER. Mr. Dorr entered in his testimony our arrangement with our fishermen. He has entered the printed matter upon which our agreements are based. Our agreements with our fishermen differ in different locations. In some places our fishermen are paid by the fish and in other places they are paid by the fish with additional run money, as has been explained, and in some places they are paid by the case, and so on. We have never had any trouble with our fishermen at any time.

The CHAIRMAN. Is that all you care to present to-night?

Mr. WICKERSHAM. Yes; that is all I care to say this evening.

FURTHER STATEMENT OF DR. BARTON W. EVERMANN, CHIEF DIVISION OF ALASKA FISHERIES, BUREAU OF FISHERIES.

Dr. EVERMANN. Mr. Chairman, I have very little to add to what I have already said, especially in view of the very comprehensive and thorough consideration that has been given to the various sections of the bill by Capt. Moser, Mr. Dorr, and the other gentlemen who have appeared before this committee.

During the progress of these hearings the chairman requested or suggested that additional or more specific information be supplied regarding certain questions which came up. The first of these was a request for more specific data on the depletion of salmon streams—whether there is any evidence which shows that the run of salmon in any stream in Alaska has seriously diminished as a result of excessive fishing.

It should be stated in the beginning that the problem is not a simple one by any means. If the so-called “parent-stream” theory were true—if all the fish spawned in a given stream upon reaching maturity return to that particular stream and to no other—the problem would be easier. And if the fishing were carried on only at the mouths of streams, it would be easier.

But few, if any, of those who have carefully studied the habits of salmon now believe the “parent-stream” theory, except when interpreted broadly. The present opinion, supported by such definite knowledge as has been acquired, is that the fish spawned in any given stream are more apt to return to that stream than to any other; that the majority probably do return to that stream; but that an unknown and perhaps varying and indeterminate percentage enter near-by streams or even streams more or less remote.

The tagging and marking experiments conducted at Karluk in 1903 by the late Mr. Cloudsley Rutter and at Loring by Mr. Fred M. Chamberlain, of the Bureau of Fisheries, showed considerable wandering in each case. One adult salmon tagged at the Karluk hatchery and released at that place was later taken at Alitak, some 90 miles away, and apparently headed for the Alitak stream. Fish marked at the Loring hatchery were caught, some at Loring, some at Yes Bay, and two were reported from Karluk.

Then, again, the fishing is not always at or near the mouths of the streams. Much of the actual fishing is done at considerable distances from the streams; so far, in fact, that it is not always certain for which particular stream the fish are heading. In some cases the catch is made from schools which probably break up subsequently and go to two or more different streams. Icy Strait may be taken as an illustration. It seems to be fairly well established that the installation of traps in that region had an effect on the fisheries in Lynn Canal, even up as far as Pyramid Harbor. It appears that the fish which go up Lynn Canal to Chilkat and Chilkoot Rivers come in from the sea through Icy Strait. Whether all the fish coming in through Icy Strait would go to Chilkat and Chilkoot Rivers if not intercepted no one knows. The probabilities are they would not. Portions of the schools may go to other streams or may even turn southward into Chatham Strait and Stephens Passage. Such considerations as these, lack of definite knowledge of the migration routes of the schools of salmon, changes in the locations of traps and other fishing appliances, variation in the energy with which the fishing is prosecuted, and the absence of definite knowledge of the conditions obtaining from year to year on the spawning beds, all these suggest that dogmatic statements regarding the increase or decrease of salmon should not be made.

Nevertheless, there are some streams about which we can speak pretty definitely.

I can, perhaps, present the matter fairly by calling attention to the studies of this and other questions connected with the Alaska salmon fisheries made by Capt. Moser in 1897 to 1901. During those years Capt. Moser, in command of the Fish Commission steamer *Albatross*, and with a corps of able assistants, made very careful and comprehensive investigations of the Alaska fisheries, the results of which are embodied in his two splendid reports published in the bulletin of the United States Fish Commission for 1898 and 1901.

In his 1898 report Capt. Moser says:

When a person interested in a cannery is questioned regarding the decrease of salmon in Alaskan waters he is likely to assure you at once that there are just as many salmon in the streams as there ever were, and begins his proofs by citing years like 1896, when there was a large run of redfish in Alaska; but any disinterested authority on the subject will say that the streams of Alaska are becoming depleted. While it can hardly be said that the streams will fail entirely within a few years there is no doubt that the average runs show fewer fish year by year, and if the laws are not amended and enforced the time will come in the not very distant future when the canneries must suffer through their own actions.

It is a difficult matter to furnish convincing proofs to those who do not wish to be convinced, and any argument may fail with those who are interested commercially. It is also difficult to establish proof by statistics, because accurate stream statistics, as a rule, can not be obtained; and, as to packs, the canneries have multiplied in numbers and many of them have been so enlarged that no comparison can be made. The causes of the depletion are the barricading of streams and overfishing; in other words, illegal fishing.

In the examinations of the various streams, as outlined in the following pages, all resources have been exhausted to obtain data showing their past and present condition. It must be evident to anyone referring to the records of the streams that they are furnishing fewer fish than formerly, in spite of the improved gear and appliances. The results of barricading are illustrated in such streams as Karta Bay, Naha Bay, Yes Bay, Klawak, Redoubt, and many others in southeast Alaska; in the streams of Prince William Sound district, on Afognak Island, and at Chignik. The illegal obstruction of streams by barricades is more apparent in southeast Alaska than elsewhere because the streams are small—there are many of them, and they are easily closed; but from all reports made to me, even by cannerymen, the district of Prince William Sound is and has been more heavily barricaded in proportion than southeast Alaska.

The following may be some evidence bearing upon the subject of depletion: Taking, for instance, a section of southeast Alaska, from Behm Canal and Prince of Wales Island south and east, in 1889 four canneries were operated, viz, Loring, Burroughs Bay, Ketchikan (burnt that year, but packed 13,000 cases), and Yes Bay. In 1897 four canneries also operated, viz, Loring, Yes Bay, Metlakatla, and Quadra. In 1889 the packs were made from the streams near the canneries—that is, from the “home streams”—and nearly all were redfish, with a few cohoes and probably very few humpbacks, for the latter were not in favor and few were packed. In 1897 the pack for the same section is double the 1889 pack, but they are nearly all humpbacks. The pack of redfish is certainly very much less, yet all the streams within 70 or 80 miles of the canneries have been scoured with all the gear that could be devised or used.

Probably nowhere is the depletion more noticed than in Copper River Delta and Prince William Sound district. In 1890 the two canneries used 20 boats, each with 150 fathoms of web, besides seines, and fished Mountain Slough, Eyak Lake and River, and Algonak and Glacier sloughs in the delta, and Miner River and Cheniga in Prince William Sound. In 1897, to make a slightly increased pack, one cannery used 32 boats, the other 43, all with 450 fathoms of web to a boat, and they fished all the streams from Chilkhat River to Eyak in the delta, and all the streams in Prince William Sound. There is no doubt in the minds of the people of Prince William Sound that the streams are being depleted.

At Karluk, in spite of the great run of 1896, it is conceded that the average run is smaller than in the early days of fishing off this river.

At Chignik, from 1890 to 1896, an average of 61,400 cases per year were packed from that stream by one organization. In 1896 three separate canneries,

with all their forces and every effort they could make, only packed about 65,000 cases of Chignik fish; and in 1897, by doubling their efforts, they reached a pack of 74,159 cases. Anyone who sees the fisheries at Chignik will readily understand that the stream can not stand the excessive fishing. (The Salmon and Salmon Fisheries of Alaska, Bull. U. S. Fish Com. for 1898, pp. 34-35.)

Mr. DORR. May I interrupt right there, Doctor, and suggest that in 1905, 1906, 1907, and 1908 at Chignik, with a gear reduced to 7 or 8 traps, the pack was increased to 140,000 cases substantially. Is that correct, Capt. Moser?

Mr. MOSER. Yes; that is right. Now, as I am quoted there, may I say a word.

Dr. EVERMANN. I have just begun to quote, Mr. Chairman.

Mr. MOSER. When I went to Alaska 15 years ago on these investigations it was a new field of work. It was reported, and I found the streams barricaded, which resulted in over fishing and threatened depletion, with no adequate laws or the machinery for the enforcement of such as then existed. The results of my work changed the conditions and, under these changed conditions, and over eight more years' experience in commercial life with the salmon industry, my views, as expressed to-day, are in some respects modified. With your permission, Mr. Chairman, I will later explain the situation more in detail.

Dr. EVERMANN. I think, Mr. Chairman, that I should say that what I am quoting from Capt. Moser is the conclusions which he reached from studies actually made in the field on the ground. Views which he may express now are views which may have been derived largely from office association and consideration.

Mr. MOSER. No; not exactly. I have been in Alaska frequently since that time.

Mr. BROWNE. And there are a good many more fish in Alaska now?

Mr. MOSER. There are a good many more fish than there were then.

The CHAIRMAN. We will give the conditions now, and your deductions at that time, which are being quoted, due consideration.

Mr. WICKERSHAM. I might add something there; that frequently since I have been off the bench I have had my opinions put at me while I was on the other side of the case and it is somewhat embarrassing.

Mr. BROWNE. I imagine sometimes you may perhaps have wondered how you ever made such a decision.

Mr. MOSER. I understand in law, however, opinions do not hold longer than about a year.

In the same year Capt. Moser wrote as follows regarding Klawak stream:

Klawak stream has probably been fished longer and more assiduously than any other stream of Alaska. The cannery has been operated for 20 seasons and a large number of fish taken from around the mouth of the stream at the cannery door. The natural facilities for taking the fish are very great, as they enter a natural trap in the basin back of the cannery and school around the mouth of the stream. The stream was barricaded and had an Indian trap in it for years, but as it was becoming depleted all traps and barricades were removed some years ago, and now the stream is carefully guarded and less extensively fished, in the hope of building up the run. There are now no signs of artificial barriers anywhere.

It is said that in the early days 80,000 redfish could be taken annually in the stream. The record for the past 12 years gives an average of 36,271, the largest catch being 62,602 in 1888. In 1896, a good redfish year, 37,172 were taken, and in 1897, a poor year, 12,764. A few steelheads are taken by the

Indians. The stream at present is undoubtedly good for 35,000 redfish, and probably 40,000 under good conditions. It is believed that if properly cared for it could produce 80,000 redfish annually.

The following is the record of the stream since 1886:

Species.	Year.	Dates.	Number.	Species.	Year.	Dates.	Number.
Redfish.....	1886	July 21-Aug. 20...	5,434	Redfish.....	1892	June 24-Aug. 17...	40,555
Do.....	1887	June 27-Aug. 15...	41,180	Do.....	1893	June 22-Aug. 31...	33,166
Do.....	1888	June 27-Aug. 22...	62,602	Do.....	1894	June 21-Aug. 15...	34,722
Do.....	1889	July 1-Aug. 13....	19,361	Do.....	1895	June 23-Aug. 14...	40,526
Humpbacks..	1889	July 22-Aug. 13...	92,094	Do.....	1896	June 29-Aug. 31...	37,172
Redfish.....	1890	June 30-Aug. 30...	49,689	Cohoes.....	1896	Sept. 12-27.....	2,667
Do.....	1891	June 16-Aug. 15...	58,096	Redfish.....	1897	June 25-Aug. 3....	12,764

As the stream was not fished to any extent in 1886 and 1897, the average for the intervening 10 years would be about 41,700. (Bull. U. S. Fish Com., 1898, p. 113.)

Speaking of the Bristol Bay region, in his 1900-1901 report, Capt. Moser said:

It is a wonderful salmon country and can not be equaled. The redfish still run in countless numbers; and, as the rivers can not be barricaded, and as overfishing has not yet produced its effect, there seems to be no depletion. The next few years, however, will see many new canneries established by the capital that was used in the canneries on the failing waters of the northwest coast of the United States. But in the absence of proper laws, or the enforcement of such poor ones as now obtain, these streams, too, will become depleted in time (p. 217).

Speaking of the Chignik region, Capt. Moser said:

The cannery men still contend that there is no diminution in the numbers of salmon taken from the river and lagoon, yet the locality no doubt is badly overfished. The lagoon approaches are studded with traps, some with leads 3,500 feet long, and sometimes so interlaced that at a distance the channel appears completely blocked, and it hardly seems possible for a fish to pass (p. 218).

Karta Bay stream in another which has been very much overfished. Boca de Quadra is another. Of it Capt. Moser says:

When it is considered that the stream (Quadra stream) is only about 50 or 60 feet in width at the mouth, and the inlet, Mink Arm, is less than one-half of a mile in width, it may be fancied that a fish has very little chance to escape the 30-purse seines that are constantly sweeping these waters, which are deep and bold and permit seining into the mouth of the stream. If there is no law regulating such fishing, there is one permitting the closing of such streams, and unless properly regulated this stream should be closed until the rapacity and greed of the fishermen have subsided (p. 296).

Hetta stream is still another (p. 301). Capt. Moser further says:

It was my opinion, frequently expressed, that as a rule the streams were overfished and could not continue for a long period to withstand the enormous draft made upon them.

These fisheries have grown to such an extent that unless one has been in constant touch with the subject, the situation can not be fully grasped. In 1878, when the first canneries were established, the total Alaska pack was 8,159 cases; seven years later, in 1885, the pack was 83,415 cases; only four years afterwards, in 1889, the pack had grown to be 719,196 cases; and seven years from that date, 1896, it was 966,707 cases; followed by a slack year, 1897, which yielded 909,078 cases. The past season, however (1900), has exceeded even the canners' expectations, and an output of 1,548,139 cases was the result. Multiplying this number by 85 may give approximately the number of pounds of live salmon taken from the Alaska streams by the canneries. This does not include the amount taken by the salteries or by the whites and natives for their own local use. It may be imagined how prolific these rivers must be when, under any condition, they can furnish this mass of fish. Every means that man can devise is used for their capture and apparently without restriction.

In my former report, pages 38-42, the subject of the law was briefly discussed, and, with the experience since obtained, there seems no reason for changing the recommendations then made, but, on the contrary, they should be emphasized and augmented. * * *

On page 284 this view is expressed:

It is believed that, through the rapacity and greed of fishermen, the salmon fisheries of the northwestern coast of the United States are rapidly declining. Other fields are now being sought in order that these also may pay tribute, and soon they will enter the exterminating process.

Mr. MOSER. My predictions evidently have not come true, because the pack has increased year by year from the stream I mentioned at Chignik, as it has doubled in recent years.

Mr. WICKERSHAM. Is it not true, Captain, that you have extended the means of catching those fish and does not that account for the increase of the fishery?

Mr. MOSER. That is true in part, but the point that you do not make is that one man gets ahead of the other, and in consequence they are obliged to have more gear. If the fishermen would confine themselves to the inside waters the fish would enter, the same as they formerly did.

Mr. WICKERSHAM. But when you fish, for instance in Icy Strait—that is illustrative of what I mean—you catch fish there that are going up all the interior streams?

Mr. MOSER. Yes; that is true.

Mr. WICKERSHAM. Is not that what you are doing now in many places?

Mr. MOSER. No. In Bering Sea and Bristol Bay, for example, they have been going out farther and farther and increasing the amount of gear. One man goes out ahead of the other to get more fish. If they did not go out so far those fish would be taken with less gear.

Mr. WICKERSHAM. Would not they divide into the hundred small streams along the coast?

Mr. MOSER. Not in Bering Sea. They would in a place like southeast Alaska where there are many streams.

Mr. WICKERSHAM. Are there not as many streams in Icy Strait as in southeast Alaska?

Mr. MOSER. No; the condition is very different. Southeast Alaska and Prince William Sound are very much alike. They have a great many small and short streams, but the other parts of Alaska—Cook Inlet and Bristol Bay—are different.

Mr. BROWNE. As I understand it, in response to the suggestions of our good friend Dr. Evermann, the law of 1906 was passed.

Mr. MOSER. What was the date of the law previous to that?

Mr. DORR. 1899.

Mr. MOSER. What you have quoted is from my report of 1897.

Dr. EVERMANN. Yes; and your 1900 and 1901 reports.

Mr. MOSER. That was before that law was passed in 1899?

Dr. EVERMANN. Earlier in these hearings attention was called to the destructive character of purse seines (p. 71).

The destructive character of purse seines was recognized years ago by the fishermen, and Capt. Moser called attention to the matter in his 1900-1901 report, as follows:

A few years ago purse seines were tried in southeastern Alaska and pronounced a failure; now they are very generally used in certain localities, and

with such success that the boast is made that they need no longer construct barricades, as they take with purse seines all the fish that come to the streams (p. 219).

During the past three years so-called purse seines have grown in favor, particularly in southeastern Alaska, and it is now claimed by those operating them that it is no longer necessary to resort to barricades, as the purse seines take all the fish before they can enter the streams. These seines are simply deep drag seines, square hung, which, in hauling, are pursed by gathering in the foot rope. Around the larger and more prolific streams of southeastern Alaska, such as Hetta, Karta Bay, and Quadra, there were from 25 to 30 of these seines in operation during the season of 1900, one seine following the other in such rapid succession that few fish escaped capture. Purse seines, or seines, used as such, should be abolished; in fact, the only fishing apparatus allowed should be gill nets and drag seines; no exceptions should be made. The use of these appliances should be regulated, and competent inspectors appointed to enforce the law and the regulations.

With the large accessions of canneries in Alaska the struggle in the fisheries is sure to increase, and every means will be employed for the capture of fish regardless of the law, unless the Government enforces it by an efficient and intelligent inspection. The future, even more than the past, requires efficient inspection, which, however, can not be realized under the present conditions (pp. 310-311).

I do not go nearly so far as Capt. Moser has gone in this report regarding the different kind of gear that may be used. I do not agree with the grand jury from somewhere, which recommends that traps should be abolished.

Mr. WICKERSHAM. Did not Dr. David Starr Jordan say that in his report on the fisheries of Bristol Bay?

Dr. EVERMANN. I think Dr. Jordan was disposed to look with disfavor upon traps; but the purpose of any fishing apparatus is to catch fish, and we must provide and permit that sort of apparatus which will catch fish in reasonable quantity and at a minimum cost. It seems to me those are the cardinal facts that must be kept in mind.

Mr. WICKERSHAM. Is not the trap uneconomical; does it not destroy a great many fish?

Dr. EVERMANN. No, sir; a trap properly handled—and as it will be handled by any cannery man who is not hampered—is not destructive to fish, because it catches practically no fish but salmon. The only fish besides salmon that it catches are caught in negligible quantities, and they are, as a rule, fish which are not as yet utilized in Alaska. There will be sculpins and dogfish and Irish lords and things of that sort which now have no commercial value. There will be a few flat fish and a good many Dolly Varden trout possessing a little value. Some of those will be thrown away, or the majority of them will be, but that does not injure the salmon fishery in the least, and does not injure any existing fishery.

Traps, as compared with purse seines or gill nets or haul seines, are really the fairest method of catching fish, provided the trap has no jigger.

Mr. WICKERSHAM. They all have jiggers, do they not?

Dr. EVERMANN. I do not understand that they all have, but no doubt every one has a jigger if the owner thinks a jigger would help.

A trap has a definite location. It can be inspected. Its method of catching fish can be determined; whether it is being operated in accordance with law and the regulations can be determined. But a purse seine is a movable apparatus which can be paid out any place, make a try for the fish in a certain place, and, if that is not found to be a satisfactory place, try another and another. If the fish are

moving along the purse seine can follow them up. It is the same with haul seines and with gill nets to some extent. So, it seems to me, of these four kinds of apparatus, the fairest one for the fish, and in many places the most economical one for the operators, is the stationary trap; and the worst of all is the purse seine, because it is virtually a movable trap and difficult to keep track of by the inspectors. It can go on up to the mouths of the rivers—even into the mouths of the rivers—make a profitable catch and get away before anybody can come to apprehend them.

Mr. BROWNE. That is exactly the view you expressed at the former hearing in regard to fish traps.

Dr. EVERMANN. So far as I recall, I held the same view then that I hold now.

Mr. MOSER. I think Dr. Jordan, after he saw the use of the purse seines on Puget Sound in 1909 or 1910, when he was there with the Canadian commissioner, came to the conclusion that traps were far less harmful than purse seines.

Dr. EVERMANN. Yes; I can speak somewhat definitely on that point. During the summer of 1908 I was with Dr. Jordan during all of the international fishery investigation from Passamaquoddy Bay to Vancouver Island, and the question of traps versus other kinds of apparatus was discussed many times by Prof. Jordan, Mr. Bastedo, and Prof. Prince (the Canadian commissioners), and others of us, and particularly in connection with the fisheries on the Great Lakes, and then later in the Puget Sound region, and I think I am safe in saying that Dr. Jordan's opinion regarding traps is very much more favorable to traps now than it was in 1903.

Now, a few words regarding the weekly close season and the desirability of extending it so as to include Cook Inlet and Prince William Sound, as provided in section 6 of the draft.

Mr. BOWER. By Prince William Sound you mean the Copper River delta?

Mr. EVERMANN. Yes. In speaking of this question in 1898, Capt. Moser said:

The first section of the present law, wherein it is stated "or to fish for or catch salmon or salmon trout in any manner or by any means, with the purpose or result of preventing or impeding the ascent of salmon to their spawning ground, is declared to be unlawful," places the whole matter in the hands of the Secretary of the Treasury. The second section, relating to the weekly close season, should, in my opinion, make no exception in any district. The plea is probably made that in the districts exempted the fish are taken in gill nets, which permit some fish to pass all the time, but if this is the plea, it is a mistake. Every cannery in Bering Sea and Cook Inlet uses traps besides gill nets, and is there any reason why traps should be used at those places during the weekly close season and not at Chignik? In Prince William Sound neither traps nor gill nets are used; all fish are taken in seines, yet it is exempt from operation of the close-time provision of the law. The fisheries in this locality are on the same footing as those in southeast Alaska, except that gill nets are used in Chilkat and Taku inlets and at the mouth of the Stikine. If the exception is made on the gill-net plea, then the law should provide that "all canneries obtaining their fish by gill nets exclusively are exempt." If the exception is made on account of a short fishing season, it might hold good for Bering Sea, but in no other place, though I should be opposed to any exemption. The run of redfish in Cook Inlet and Prince William Sound is for a long period, and, in fact, for a longer period than in the southeast Alaska district, and on these pleas there is absolutely no reason for exempting those places.

The time of the weekly close season should by all means be changed so as to include Sunday. As it stands it was no doubt intended that the canneries

should pack the Friday's catch on Saturday and be closed on Sunday. If the law were observed, it would permit the Chinese, who know no Sabbath, to rest on that day, while the white fishermen and Indians would be obliged to work on that day. We send missionaries among the Indians and teach them to keep the Sabbath and then enact laws which compel them to work. Mr. Duncan, at Metlakahla, states that his Indians do not fish during the close season on account of the law and would not on the Sabbath on account of his teachings, and the law therefore bears hard upon that community. (Bull. U. S. Fish Com. for 1898, p. 40.)

It seems to me that the only region that needs to be exempt from the weekly close season is the Bristol Bay region. The season is short there, and that is, perhaps, a sufficient reason for letting them fish continuously during all the days they are there.

Mr. MOSER. There are very few traps in Bristol Bay.

Dr. EVERMANN. There are very few traps in Bristol Bay, but the Copper River Delta, Cook Inlet, and Prince William Sound regions are too much like southeast Alaska.

Mr. MOSER. Was not the law changed after that report was written? That was the 1897 report.

Mr. DORR. Yes; it was changed to cover Sunday instead of Saturday.

Dr. EVERMANN. Yes; it was changed. They carried out the recommendations.

TAX ON CANNED SALMON.

Recurring to the proposed increase in the tax on canned salmon, I wish to say that this is a matter with which the Bureau of Fisheries is not primarily concerned. We do feel, however, that the revenue derived from tax on the product of the Alaska fisheries should be applied to the development and conservation of those fisheries. The fisheries, properly regulated, constitute a going industry, quite different from mining. Every ton of coal or ore taken from a mine and consumed decreases the world supply by just that amount, and we do not know any way by which another ton can be caused to grow and take its place. The total quantity of coal in the world decreases each year by the amount consumed each year. The decrease, once made, is a permanent one; there is no recall. We can not use our coal and have it, too; if we use coal, a time will come when the last ton will be used. We can conserve, or, using a better word, we can husband the supply of coal, but we can not conserve coal.

But with fish and fisheries it is quite different. Not only can the fisheries be conducted in such a manner as will cause nothing more than a merely temporary diminution of the supply, but in a manner which will cause in the long run an actual increase in the supply. They can be conducted in a way which will not only permit the utilization each year of vast numbers of individual fish, but will cause a still greater number to become available for use each succeeding year. This increase can go on until the maximum possible for each stream is reached, and the fishery laws and regulations should be such as will from then on hold the species at that maximum. The species is conserved, with the result that the maximum number of fish may be taken each year. The fishery then becomes a going industry; that is, it will continue for all time at its maximum capacity.

In the draft of a fishery bill which was prepared by the Bureau of Fisheries the possibility of a change in the rate of tax was considered. It was thought that a schedule correlated with the market values of the different kinds of salmon might be proper, and in the rates suggested an effort was made to indicate such correlation. In trying to get at an equitable scale, consideration was given to the wholesale prices of the different grades of canned salmon in 1906, when the present tax of 4 cents per case was fixed, and the prices for 1911. The following table sets forth the data considered and the tax suggested:

Average wholesale prices of canned salmon per case of 48 1-pound cans in 1906 and 1911, together with present tax and suggested tax.

Species.	Average price per case in—		Tax per case.	
	1906	1911	Present.	Proposed.
			Cents.	Cents.
Chum.....	\$2.87	\$3.72	4	4
Pink.....	3.00	3.94	4	4
Coho.....	3.63	5.67	4	5
Red.....	3.77	6.33	4	7
King.....	3.78	6.48	4	7

The prices given in columns 2 and 3 are the averages of those reported by all the packers for those years,

Complying with the request of the chairman, I submit a list of Government and State fish-cultural stations, corrected to May, 1912:

NOTE.—In addition to the stations and substations enumerated below the Government has numerous less important establishments, temporarily equipped each year, at which fish or fish eggs are collected for the hatcheries proper.

The list of State hatcheries is based upon the State reports, supplemented by such information as can be derived from correspondence in the files of the Bureau of Fisheries. It is probably not entirely accurate, for the reason that the State reports are often indefinite and inconclusive.

Various private hatcheries are also operated, including five in Alaska.

State.	United States.	State.	Total State and United States.	State.	United States.	State.	Total State and United States.
Alaska.....	2	.....	2	New Hampshire...	1	2	3
Arkansas.....	1	.....	1	New York.....	1	9	10
California.....	5	5	10	North Carolina....	3	.....	3
Colorado.....	1	.....	1	North Dakota.....	.....	1	1
Connecticut.....	.....	1	1	Ohio.....	1	1	2
District of Columbia	1	.....	1	Oregon.....	6	11	17
Georgia.....	1	.....	1	Pennsylvania.....	.....	7	7
Idaho.....	.....	3	3	Rhode Island.....	.....	1	1
Illinois.....	2	1	3	South Dakota.....	1	.....	1
Indiana.....	.....	2	2	Tennessee.....	1	.....	1
Kansas.....	.....	1	1	Texas.....	1	.....	1
Maine.....	5	9	14	Utah.....	.....	1	1
Maryland.....	2	6	8	Vermont.....	3	1	4
Massachusetts.....	2	5	7	Virginia.....	1	.....	1
Michigan.....	15	16	19	Washington.....	7	20	27
Minnesota.....	2	3	5	West Virginia.....	1	.....	1
Mississippi.....	1	.....	1	Wisconsin.....	.....	6	6
Missouri.....	1	2	3	Wyoming.....	.....	3	3
Montana.....	2	1	3	Total.....	61	111	170
Nebraska.....	.....	1	1				
Nevada.....	1	2	3				

¹ Two of the hatcheries given are operated jointly by United States and State.

From this table it appears that there are now in operation by the Federal Government 61 fish-cultural stations, that the respective States are operating 111 such stations, and that the total is 170. This number does not include private fish hatcheries, of which there are a good many, particularly in the Eastern States.

The Pacific Coast States have hatcheries as follows: California, 10; Oregon, 17; Washington, 27; or a total of 54; and Alaska has 2.

These data may be tabulated as follows:

Number of Federal and State fish-cultural stations in Alaska and Pacific Coast States and value of the fisheries.

State.	Number of Federal and State hatcheries in 1911.	Value of salmon fisheries in 1909.
California.....	10	\$1,121,732
Oregon.....	17	1,960,894
Washington.....	27	8,681,843
Alaska.....	2	9,822,474

Mr. WICKERSHAM. Have you British Columbia, Doctor?

Dr. EVERMANN. No; I have not. I just took the United States.

The question of the size of red salmon was also brought up at one time, and I have prepared a table giving the results of a considerable number of redfish weighed and measured at different places in Alaska by myself in 1903.

During the investigations which were carried on by the Alaska Salmon Commission in 1903 I personally examined 1,390 red salmon for the purpose of determining their lengths and weights. A total of a dozen different localities was represented as follows:

Lengths and weights of red salmon.

Locality and date.	Fish examined.	Sex.	Length.			Weight.			Total fish examined.	Average length.	Average weight.
			Maximum.	Minimum.	Average.	Maximum.	Minimum.	Average.			
			Inches.	Inches.	Inches.	Lbs.	Lbs.	Lbs.		Inches.	Lbs.
Nushagak.....	93	Male.....	30.00	22.75	27.63	11.00	4.00	7.793	121	27.127	7.466
	28	Female..	29.00	21.25	25.45	85.00	4.00	6.383			
Koggiung.....	121	Male.....	31.00	25.00	28.580	10.00	5.00	7.59	201	27.470	7.225
	80	Female..	29.00	24.5	25.779	9.00	5.00	6.673			
Wood River.....	76	Male.....	29.00	22.5	26.569	9.5	4.00	6.740	100	25.97	6.25
	24	Female..	26.25	20.5	24.072	6.5	2.00	4.697			
Ugaguk River.....	74	Male.....	32.00	26.00	28.629	9.00	6.00	7.949	156	27.85	7.636
	82	Female..	30.00	25.75	27.167	9.75	5.00	7.414			
Naknek River.....	52	Male.....	30.5	26.5	28.58	9.25	6.5	8.168	100	27.74	7.63
	48	Female..	29.00	23.00	26.828	11.00	5.5	7.046			
Ugashik River.....	76	Male.....	30.50	26.00	28.605	10.00	6.00	7.99	128	27.771	7.361
	52	Female..	29.00	24.5	26.55	7.5	4.00	6.44			
Chignik, Aug. 9....	80	Male.....	30.35	20.5	30.18	10.5	3.5	8.48	154	26.83	7.51
	74	Female..	29.25	21.5	23.054	8.5	4.4	6.47			
Karluk, Aug. 15....	79	Male.....	27.25	15.5	25.19	7.87	1.75	5.68	200	24.397	5.08
	121	Female..	27.00	20.25	23.88	6.5	2.5	4.685			
Pyramid Harbor,	17	Male.....	28.75	24.5	26.97	8.00	6.00	7.11	31	26.773	7.056
July 15.	14	Female..	28.25	24.25	26.535	7.75	6.00	6.98			
Klawak, Aug. 25...	11	Male.....	28.75	19.5	25.12	7.00	3.00	5.09	83	24.96	4.09
	72	Female..	26.25	20.75	23.38	6.5	3.00	3.944			
Hetta Bay, Aug. 9.	13	Male.....	26.5	22.5	22.94	7.00	4.00	5.48	102	23.60	4.825
	89	Female..	26.00	21.00	23.705	6.00	3.00	4.73			
Karta Bay, July 10	11	Male.....	29.00	26.5	27.545	8.5	6.00	7.21	14	27.32	7.000
	3	Female..	27.00	26.00	26.5	6.5	6.00	6.33			

THE WOOD RIVER INVESTIGATION.

By order of the Secretary of Commerce and Labor, dated December 19, 1907, Wood River, in the Nushagak region, was closed to all commercial fishing. This order was issued after a hearing held December 16, 1907. The order became effective January 1, 1908.

The Bureau of Fisheries at once began to plan an investigation or study of Wood River. It was believed that the stream could be raked in such a way as to make it possible to make an accurate enumeration of the salmon as they go up the stream to their spawning beds, and that by ascertaining the number of salmon spawning in that stream each year for a series of years, together with the number caught by the fishermen in each of the same years, a ratio between the number of spawning fish and the number of fish caught could be discovered. In other words, it was believed we could determine how many fish must escape each year to maintain the annual catch at a maximum.

I have already gone into this question elsewhere in these hearings (p. 287). The chairman requested a statement of the cost of this investigation, and expressed the opinion that the investigation should be continued at least another year or two.

I have examined the records of the cost of this investigation and can now give the figures. You will recall that I stated that the Alaska Packers' Association and the Alaska-Portland Packers' Association were and are deeply interested in this inquiry, and have very generously cooperated with the bureau by sharing the expense and helping in every way possible to make the experiment a success. Without their cooperation the investigation could not be conducted.

The figures below of the Alaska Packers' Association were submitted by that company, together with a statement that they represent about 80 per cent of the total cost. The figures for the Alaska-Portland Packers' Association have, therefore, been estimated on a 20 per cent basis.

Year.	Bureau of Fisheries.	Alaska Packers' Association.	Alaska-Portland Packers' Association.	Total.
1908.....	\$3,310.38	\$1,240	\$310.00	\$4,860.38
1909.....	2,237.08	1,020	255.00	3,512.08
1910.....	2,927.63	1,520	380.00	4,827.63
1911.....	2,822.08	1,150	287.50	4,259.58
Total.....	11,297.17	4,930	1,232.50	17,459.67

FISHERY EXPERIMENT STATION.

Capt. Moser has called attention to the necessity for an experiment station in Alaska where investigations can be conducted in the utilization of the fishes and other aquatic products. I wish to say that this suggestion meets with the hearty approval of the bureau, which, indeed, has long hoped that such a station might be established.

Every State and Territory in the Union, I believe, has one or more agricultural experiment stations and agricultural colleges, where experiments are carried on for the purpose of discovering methods by

means of which the natural products of the soil may be improved and utilized. The Federal Government maintains about 60 agricultural experiment stations, each with a number of trained experts and specialists who are devoting all their time to experimentation and investigation for the improvement of the products of the soil already known to be useful to man, and in efforts to discover and develop methods of preparing for use natural products which as yet possess little or no commercial value. The appropriations made for these purposes by the Congress—including the Morrill, Nelson, Hatch, and Adams funds, but not including the income from the sale of lands under the original Morrill Act, which, I understand, is considerable—amount to \$4,000,000 annually, practically all of which is used in investigations and experiments in the improvement and utilization of the products of the soil and in educating young men and women in the subjects related to agriculture. And it must be borne in mind that nearly all of this is in addition to the \$15,000,000 carried by the general agricultural appropriation bill, most of which also is used, directly or indirectly, for the same purpose.

The Department of Agriculture is experimenting not only with the plants and land animals indigenous to the United States and the animals and plants already under cultivation here, but it has its expert agricultural explorers whom it sends all over the world to hunt for other species or kinds of plants and animals that may be introduced into this country to the benefit of the farmer and the fruit culturist.

The liberality of the Government in this matter is commendable, and the splendid results obtained at our agricultural experiment stations have demonstrated over and over again the practical wisdom of the Government's policy in this matter. But what has it done to encourage the use of the natural products of the rivers, lakes, and seas? Very little, indeed. In the whole United States and its insular possessions the Bureau of Fisheries has but three experiment stations—one at Woods Hole, Mass., one at Beaufort, N. C., and one on the Mississippi River at Fairport, Iowa. The total annual running expense of these three stations does not exceed \$15,000 (or one-half as much as that of a single one of the 60 agricultural experiment stations).

Mr. WICKERSHAM. Have you any provision in this bill for something of that kind?

Dr. EVERMANN. No, sir.

Mr. WICKERSHAM. Will you prepare something of that kind?

Dr. EVERMANN. I shall be glad to.

Yet these three stations with their limited funds have each done splendid work. From a long list of practical results of the work at these stations I shall mention only a few, viz: The development of practical methods of utilizing the dogfish and converting its hitherto useless flesh into nutritious, palatable, and attractive foods. The same has been done with the common black mussel, the squid, and several minor fishes. Methods of oyster and clam culture have been vastly improved. An entirely practical method of sponge culture has been developed and put into actual practice.

In Louisiana alone the slight experiments the bureau made there in oyster culture and the suggestions the bureau made to the State of Louisiana regarding its oyster beds have resulted in an annual net income to the State many times the expense of the investigation.

The cultivation of the diamond-back terrapin has been undertaken, and the results of the experiments thus far conducted indicate that a practical method has been discovered. And, perhaps most interesting of all, and certainly of great commercial importance, is the series of investigations and experiments regarding the breeding habits of the freshwater mussels, the discovery of the part which fish play in the life history of the mussel, and the development of artificial inoculation by which the mussels can be, and are now being, propagated in vast numbers. This discovery alone is worth millions of dollars to the pearl-button industry.

The species of aquatic animals and plants inhabiting Alaskan waters are many. Of fishes alone there are more than 200 species, of which fewer than a score are as yet utilized by man as food. How many more can be found to possess considerable food value remains to be determined, but that the number is large is reasonably certain. I may mention a few examples. Perhaps the most promising is the herring (*Clupea pallasii*), a very abundant fish, at present utilized chiefly in the manufacture of fertilizer and oil, but used to some extent, fresh, frozen, or pickled, as bait in the halibut fishery. A closely related species, the Atlantic herring (*Clupea harengus*), is the fish which supports the largest fishery in the world, also the American sardine and smoked-herring industries, in which a vast amount of money is invested and whose output is worth millions of dollars. There is no inherent reason why the Pacific herring may not be used for sardines or in any of the numerous ways in which the Atlantic herring is utilized.

The eulachon, the capelin, and the surf smelt, three most delicious fishes, literally swarm in untold numbers in Alaskan waters, but as yet utilized scarcely at all. The Dolly Varden trout, so abundant as to be a great nuisance, and very destructive to salmon spawn, should be studied with reference to its utilization as food. The score and more surf fishes—rock cods, greenlings, Atka mackerel, sculpins, and sand lances—are all promising species to experiment with. Then there are the clams, crabs, and numerous other crustaceans and mollusks, related species of which in other countries support important fisheries, yet nothing is done with them in Alaska. Another matter that is well worth trying is the introduction of the common lobster into Alaskan waters. Many attempts have been made to establish the lobster on the Pacific coast, but all have failed. Alaska, in my judgment, offers the best field, and experiments should be made in Alaskan waters to see if it can not be established there. The introduction of many other Atlantic species should be considered, among which I may name the blue crab, Atlantic salmon, menhaden, haddock, mackerel, little-neck clam, and scallop, and quite a number of others which might be mentioned.

Now, that is the end of the formal statement which I have prepared, Mr. Chairman. I may say that Mr. Dorr submitted to Mr. Bower a draft of certain sections of the bill. We are going over them, and I doubt not at the next meeting we shall be ready, if opportunity offers, to make such suggestions as we think worth while in the matter.

The CHAIRMAN. Well, that will be all we will do to-night.

Thereupon, at 10.20 o'clock p. m., the subcommittee adjourned subject to the call of the Chair.

MONDAY, JUNE 10, 1912.

COMMITTEE ON FISHERIES,
UNITED STATES SENATE,
Washington, D. C.

The subcommittee met at 8 o'clock p. m.

Present: Senators Jones (chairman), Bourne, and Overman.

Also Hon. James Wickersham, Delegate in Congress from Alaska. Also appeared Dr. Barton W. Evermann, Chief Division of Alaska Fisheries, Bureau of Fisheries, and Mr. Ward T. Bower, assistant agent, Alaska Salmon Fisheries. Also Messrs. John Sidney Webb, Aldis D. Browne, Charles W. Dorr, J. F. Moser, and T. J. Gorman.

FURTHER STATEMENT OF JEFFERSON F. MOSER, OF SAN FRANCISCO, REPRESENTING THE ALASKA PACKERS' ASSOCIATION.

Mr. MOSER. Mr. Chairman, I should like to make a short statement to appear in the record immediately following the statement by Dr. Evermann.

The CHAIRMAN. Captain, you may make your statement.

Mr. MOSER. Referring to the hearing held on June 5 and the quotations of Dr. Evermann from the reports made by me on the salmon fisheries of Alaska, which on the surface seem to differ slightly in some particulars from my views as expressed before the committee, I beg to submit the following:

In the spring of 1897, then in command of the Fish Commission steamer *Albatross*, I was directed to proceed with my command to Alaska and examine the salmon fisheries of that country. The general scheme of work, which was left to my judgment, embraced an exploration of all streams carrying commercial salmon, to ascertain the general features and characteristics, spawning beds, condition of the water, etc., to note the species of salmon entering the stream, time and duration of runs, abundance, etc., to visit the canneries and obtain all data relating to their business.

It was generally believed and openly said that the streams were overfished and being rapidly depleted by barricades built across the mouths, which were not removed, to permit the ascent of spawning fish. At that time the act of June 9, 1896, was the law, but as the machinery it involved was not yet in running order and as it was inadequate to meet the requirements the law was generally disregarded. The prevailing idea of the law in the far north at that time is stated by Kipling when he makes one of the seal poachers say: "There's never a law of God or man runs north of fifty-three."

Upon my arrival in Alaska, I found either barricades or evidences of past and prospective barricading in all or nearly all the streams in which this form of fishing could be employed. This method had been in vogue from the earliest days, when the Russians built zapors or dams across the streams to make the catch, the natives followed the same method, and when the territory was purchased this manner of fishing prevailed and continued to the time of my earliest examination.

This, then, was the condition that I found, streams barricaded preventing the ascent of salmon to the spawning ground, and in consequence depletion facing the industry; inadequate laws in vital re-

spects with no efficient machinery for the execution of such that then obtained and a general disregard and apathy for the regulations.

In carrying on this work I was impressed with the necessity for vigorous action; I had the barricades removed wherever possible, visited the cannery men, fishermen, and natives, informed them of the law, the penalties for violation, and impressed them with the fact that the strong arm of the Government was intervening for the protection of these fisheries. It was under the inspiration I received at that time that I laid the results of my work before the bureau and described the conditions as they prevailed, and as they appeared to me.

My work bore fruit rapidly, the laws were more largely observed, illegal fishing and barricading gradually ceased, and by thus permitting the parent fish to ascend the streams to the spawning grounds and assisted by hatchery work, the threatened depletion has been turned to a repopulation of the waters and from a pack in Alaska in 1897 of 909,078 cases, we have 14 years later, in 1911, 2,820,966 cases. Following my earliest report in April, 1898, a letter from the Secretary of the Treasury was addressed to the House of Representatives recommending certain amendments to the then existing laws, as the latter were found inadequate, but it was not until 1906, after the subject had been thoroughly examined by Government experts in the field, that the present law was enacted and embodied in this law are some recommendations made by me in my reports.

I claim that it was due to my work largely that the Alaska salmon fisheries were rescued from a chaotic state, and law and order established, and it is due, in part, to my efforts that the streams, at one time threatened with depletion, have been revived and now show these splendid results. In my opinion the bureau, instead of quoting from my earlier reports, evidently to break my recent and more mature testimony before this committee, should have presented those reports to my credit for the good they have accomplished.

Several years ago I accompanied two Cabinet officers through our Fortmann hatchery. One of these gentlemen said to me that he had read my reports with interest and then asked whether I still maintained the views therein expressed. My reply then was as it now is to this committee. Those reports were written on examinations made from 12 to 15 years ago. I believe they represent the conditions at that time, but those conditions have in many ways radically changed, more comprehensive laws have been enacted and are enforced, and I have had eight more years experience in commercial life in connection with the salmon industry, so that I am able to take a wider and broader view of this question, and owing to the changed conditions and my subsequent experience, my views to-day are in some instances materially modified. When those reports were written, many years ago, I believed they were in the main correct, as I believe my statements in these hearings before the committee are correct.

In the printed hearing before this committee, on May 29, page 407, Dr. Evermann stated that he could not recall a specific instance that has occurred in the last six years or since the act of 1906 that could be used as an illustration to indicate that there should be a change in section 6 of the present law which provides for closing streams and prohibits fishing for a distance of 500 yards from the mouth. In

order to sustain the measure proposed in section 7 of the pending bill, which provides for prohibiting fishing within an unlimited distance, it is probable that a search was made for evidence but nothing could be found since the act of 1906 and refuge was taken in my reports made 15 years ago under conditions as explained entirely different from those prevailing at present.

It appears to me, and I believe that this committee is impressed with the fact, that there is no evidence which warrants any change in the present law relating to stream closing as now provided for in section 6; indeed if you will permit me, I would say that as these hearings have progressed I am more and more impressed with the statement I made in the early part thereof to the effect that this bill is premature. In my opinion there is only one main section, that of trap regulation, in this entire bill, that is warranted by the conditions as they exist, or by the evidence produced. Those who favor the measure appear to have one main theme; that is, tax the salmon fisheries to the highest point, not for the benefit of the salmon fisheries, but to build roads in which these fisheries have no interest. I respectfully submit again, and would ask by all the power I may invoke, to take the salmon tax out of the Alaska fund, and the clamor for more drastic Alaska salmon legislation will surely cease.

STATEMENT OF HON. JAMES WICKERSHAM, DELEGATE IN CONGRESS FROM ALASKA—Resumed.

Mr. WICKERSHAM. Mr. Chairman, almost the last sentence of Capt. Moser's testimony which has been read to the committee states the objection that I have to the Alaska Packers' Association. It exhibits as plainly as the English language can be made to exhibit it their desire to get everything they can out of Alaska and give absolutely nothing in return. They resent the suggestion that Alaska or the people of Alaska have any right or interest in the salmon or the fisheries of that country. They are nonresidents themselves; they do not live in Alaska; they do nothing toward the upbuilding of the Territory; and they resent it when it is suggested that they pay some little portion of the tax for the building of roads or the development of the country.

Now, we have great salmon streams up there and heretofore there has been an immense annual run of fish into those streams which would have practically gone to waste except for the fact that these fishermen, these cannery men from San Francisco and Portland and Seattle, have come up there and canned them. These people have done a great good for themselves and I think for the country. I think that it has been an advantage for the people of the United States to have the salmon packed because if they had not been canned they would have been wasted, and I think these gentlemen ought not to assume the attitude that they do toward Alaska.

We do not have any feeling of animosity in Alaska toward the salmon packers. I know the people up there do not and I know that I do not. We realize that they have done themselves and the country a great deal of good by packing the surplus fish and as long as the pack can be kept up and the supply maintained, so long as the seed is put back into the streams and the run of salmon is maintained, it makes but little difference in Washington City who

puts up the fish, and there is where I have it in for the Bureau of Fisheries.

The Bureau of Fisheries is just as bad as the cannery men. They do not have the slightest interest on earth in Alaska. You take any bill that the Bureau of Fisheries has ever brought in here and there is nothing for Alaska in it. They do not take into consideration the fact that Alaska ought to be developed to any extent out of these fisheries or that there is any future in it for the people of Alaska. They make every provision in the bills which they offer to this committee for sustaining the Bureau of Fisheries and keeping up their salaries and extending the influence of the bureau and their hold upon the government of Alaska; but, like Capt. Moser, they resent it when anybody talks about getting anything like a portion of this fund for the development of Alaska.

Now, I do not represent the Alaska Packers' Association and I do not represent the Bureau of Fisheries, but I do represent the people of Alaska, who own these fish, and some of these days we are going to discharge the Bureau of Fisheries from the management of our fisheries in Alaska and attend to it ourselves; and some of these days we are going to draw the line on the Alaska Packers' Association pretty tight—but that is in the future.

I have said this much, Mr. Chairman, in criticism of both the Alaska Packers' Association and the Bureau of Fisheries, because I think they are both wrong in that respect. I think they both ought to recognize that the Territory of Alaska ought to have something in the way of development out of this great fish crop. It is in the waters of Alaska, and it belongs to the United States, but fundamentally it belongs to the people of Alaska, and if we can not have something out of the \$147,000,000 that they have taken out of those waters in the way of fish, for the development of Alaska, if Alaskans have got to carry their packs on their backs and build their roads and trails out of their own purse and develop that country without aid from the Territory's natural resources, then we have a burden that no other Territory in the United States has ever had.

I venture to say, Mr. Chairman, that if there was a fleet of vessels going out of New York City down to South Carolina this year which would go down there and strip the South Carolina coast of \$16,000,000 of its fisheries and carry it back to New York to build up palaces there, South Carolina would protest in no uncertain tones.

I say, then, Capt. Moser, that these fish ought to be put up, and as long as there is nobody in Alaska to put them up, I want you to put them up; but I want you to get over the idea of resenting it when the people of Alaska insist upon having a small amount taken out of the millions of dollars that your people take out of that country to help in its general development. It is not fair to your company to sit here and cry out against the miners of Alaska because they want you to help a little in the upbuilding of that Territory. As good Americans your people in San Francisco and Seattle ought to be willing to divide a little to help build up Alaska. You have grown rich out of its resources. More than \$200,000,000 has gone out of Alaska to San Francisco and Seattle, and you folks have never paid as much as would build a schoolhouse in Alaska, nor a church, nor a home. You have not educated a single child in Alaska out of that \$200,000,000, so that I do not like to hear that kind of talk.

And I say again, Mr. Chairman, that I represent the people of Alaska. I have prepared some amendments that I want to propose to this bill, and I have a copy for the Alaska Packers' Association and a copy for the Bureau of Fisheries. I want to say, Mr. Chairman, that I do not want you to feel that I am bound by every word in these amendments, and I want to reserve the right to say that, "Well, I was mistaken about that, and it ought to be this other way," if at any time between now and the time the bills are finally reported I shall take that view of it.

The CHAIRMAN. Of course, you will have that privilege.

Mr. WICKERSHAM. I want to say that fairly, because these proposed amendments are merely tentative, and I may be mistaken about some of them. Capt. Moser, Dr. Evermann, or some of these other gentlemen here may convince me that I am mistaken, and I want a chance to say so. I will read the amendments, and while I am reading, Mr. Chairman, if you or any of the gentlemen want to ask a question in regard to them I shall be glad to answer it. I will read these amendments, and then they may go into the record [reading]:

SECTION 1. That all those waters, streams, rivers, and lakes in Alaska which empty into Bering Sea or Bristol Bay south of and easterly from Cape Newenham and into the Pacific Ocean, or any of its bays, channels, straits, or waters from the outer Aleutian islands easterly and southerly to fifty-four degrees forty minutes, the south line of Alaska, which are frequented by salmon or other food fish for spawning, or in which fish or other marine-food animals appear in such numbers as to be valuable for fishery, be, and the same are hereby, forever reserved from sale or other disposition to any person, association, or corporation; and the title to all said waters, and all waters along said coasts out to the limit of the territorial jurisdiction of the United States, and in all tide and shore lands on said waters, streams, rivers, lakes, bays, channels, and straits up to the line of ordinary high-water mark, is hereby reserved by the United States for fishery purposes; and the President of the United States is hereby authorized, empowered, and directed to mark and reserve for such fishery purposes so much of the uplands upon and adjacent to the shores of said waters as may be necessary to the conservation, preservation, and propagation of the fish or other marine-food animals which may resort thereto, or which may be propagated or transplanted therein. Nothing in this act shall be held to prevent the use of the tidelands or navigable waters in Alaska by wharves or other approaches from the land to the navigable waters, nor to prevent ingress or egress between the shore lands and the navigable waters as that right has long existed; *Provided*, that nothing in this act shall interfere with the free navigation of any navigable waters, nor be construed as impairing in any degree the title of the Territory of Alaska or of any State or States which may hereafter be erected out of said Territory, to the tidelands and beds of any of its streams, or its fisheries; nor the right of the United States to control commerce and navigation therein; it being hereby declared that the rights of fishery and to the tidelands herein mentioned shall continue to be held by the United States in trust for the people of the Territory of Alaska, and of any State or States which may hereafter be erected out of said Territory. The term "navigable waters," as used herein, shall be held to include all tidal waters up to the line of ordinary high tide, and all nontidal waters navigable in fact up to the line of ordinary high-water mark.

Mr. Chairman, my purpose in offering this amendment is to give notice that I shall oppose any effort made in this bill—and there is an effort in this bill—to give public rights in the waters and the lands of Alaska for fishing purposes to private enterprise.

The CHAIRMAN. What rights do you mean—permanent rights?

Mr. WICKERSHAM. I mean permanent rights; yes.

The CHAIRMAN. What provision in the bill is there which alludes to that?

Mr. WICKERSHAM. There is a provision here which gives the right to a location for traps—a permanent right, to a limited degree, at least. It is the beginning of a permanent right. There is no limit fixed by the bill to the yearly right to maintain those traps.

The CHAIRMAN. It is a right, however, that can be terminated at any time, either by limitation or by the Secretary of Commerce and Labor.

Mr. WICKERSHAM. Possibly.

The CHAIRMAN. Is there any doubt about that, Judge?

Mr. WICKERSHAM. I should say no, if I was judge, Senator; but it is the beginning of what seems to me to be an effort to acquire rights in those waters and to the tide lands that will be set up against us hereafter in litigation and under which these people will claim permanent rights. I do not believe in that system at all.

The CHAIRMAN. Is there any language in the bill under which they could make, with any reason at all, a claim to a permanent fishing right?

Mr. WICKERSHAM. I think so.

The CHAIRMAN. I would like to have the language pointed out, so that we will understand under what provision you make that claim.

Mr. WEBB. They have a right against anyone else in the United States.

The CHAIRMAN. I am saying against the Secretary or against the United States or legislation by Congress. Of course, I understand that when a person gets a location for a trap and complies with the provisions of this act and the regulations of the Secretary of Commerce and Labor, he can hold that right against anybody else. There is no question about that. But if there is anything in the act which gives him a right to hold the location as against the Secretary of Commerce and Labor or as against subsequent legislation by Congress, I want to know what it is.

Mr. WICKERSHAM. I did not say that, Senator; no.

The CHAIRMAN. Is there anything that points to giving him a right to claim anything of that kind, or a basis for any such claim in that bill?

Mr. WICKERSHAM. Well, if you were to ask me as a lawyer I should say no; but if you were to ask me with regard to my experience as a Representative for the Territory of Alaska I should say yes; because these rights continue to grow, they get possession of choice spots with the preference right to maintain possession from year to year.

The CHAIRMAN. As against anybody else.

Mr. WICKERSHAM. As against anybody else; yes; and as against the Government, too, Senator.

The CHAIRMAN. Well, not as against any legislation anyhow that Congress may see fit to enact.

Mr. WICKERSHAM. No; probably not.

The CHAIRMAN. But I wish you would point out the language of the bill under which you fear something of this kind may develop.

Mr. WICKERSHAM. It is in section 4. While as a lawyer I would say to you that Congress would have the right to repeal this act and would have the right by proper legislation to abolish even the right that I have complained about, yet Congress does not always do those things and Congress sometimes goes on and adds to them, and

you and I have seen the tide lands, and so has Mr. Dorr, in the Territory of Washington go to the occupants by reason of their prior right and prior occupancy of those lands. I do not want that done in the fishing lands and waters of Alaska. I do not want to see done in Alaska what has been done in the State of Washington with respect to this very matter.

Mr. DORR. You do not claim, Judge, that any of us has seen any fishery rights go to prior occupants in the State of Washington.

Mr. WICKERSHAM. Well, you have seen the whole of the tide lands sold to prior occupants.

Mr. DORR. Yes; tide lands have been so sold by virtue of legislation that was enacted by the State giving the occupants of those tide lands or the shore owners of those tide lands preference rights of the purchase for certain limited periods of time.

Mr. WICKERSHAM. Now, upon those very tide lands are the fisheries, and the fish traps legalized by this bill are to be erected upon the tide lands in Alaska.

Mr. DORR. They did not obtain these rights to the fisheries by virtue of their prior occupation of the tide lands.

Mr. WICKERSHAM. They obtained the rights by the prior occupancy of the uplands and the purchase of the tide lands under the constitution and laws of the State of Washington, and I say again that this section 4 starts that system in Alaska, by which the fisheries, the canneries, will eventually get possession of the tide lands in Alaska and therefore the fisheries.

Mr. DORR. Let me ask you a question: How will you avoid giving the trap owner, the operator, a limited control over a specific place where that trap is operated unless you abolish the use of traps entirely? By what system of justice could it possibly be that a man who is licensed to operate a trap could not use that particular place for the limited time covered by his license to the exclusion of all others?

Mr. WICKERSHAM. I want him to use it; but if you adopt the policy suggested by me in this article 1 which I have just read to you—if that policy is adopted in respect to Alaska fisheries instead of the policy which was adopted in the State of Washington in disposing of all those tide lands, I think you make the fisheries public in Alaska forever.

Mr. DORR. I take it as a fundamental proposition of law, concerning which I do not think there can be any doubt in your mind or in the mind of any member of this committee, that the tide lands are reserved for the future State, and this Congress is absolutely powerless to alienate those tide lands.

Mr. WICKERSHAM. I think, Senator, that is correct, but I think this Congress can start upon a system which is wrong and which goes in the wrong direction, and I think they have started upon it in this section 4, which will eventually, as it did in Washington, take those tide lands away from the people in Alaska, as they were in Washington, and turn them over to private interests, and thereby turn over the control of the fisheries in Alaska to private interests; and it is the fear of that very situation we have seen worked out in Washington that induces me to offer this section 1, which adopts the other policy.

Mr. DORR. You and I both resided in the Territory of Washington when it was a Territory. You do not claim that Congress ever enacted a law that resulted in that Territory losing its tide lands? My recollection is that Congress never legislated on the subject at all.

Mr. WICKERSHAM. Well, to some extent Congress was to blame for it; but to a very large extent it was the State, immediately after it adopted its constitution, and in the constitution.

Mr. DORR. It came in the constitution.

Mr. WICKERSHAM. The culmination of it came through the constitution, and I do not want a culmination of that kind to come in respect to the fisheries of Alaska if I can start it in the other direction.

The CHAIRMAN. You have made your position clear, I think, Judge.

Mr. WICKERSHAM. I do not intend, Mr. Chairman, by that——

Dr. EVERMANN. May I ask one question?

The CHAIRMAN. Certainly, Doctor.

Dr. EVERMANN. Judge Wickersham, did you not in a part of the bill insert a provision for a tax on fish traps?

Mr. WICKERSHAM. Yes.

Dr. EVERMANN. How do you propose to identify those fish traps? Do you give them a definite site, or what is your idea?

Mr. WICKERSHAM. Well, I proposed to tax them as a fact. The traps exist in certain locations and the tax could be collected upon them as they have existed.

Dr. EVERMANN. Then, for the purpose of taxing the trap you dissociate it from the trap but associate it with some definite site?

Mr. WICKERSHAM. I think I would tax it definitely; I would not give anybody a permanent right to any area of land.

Dr. EVERMANN. I do not see just how you could get at it.

Mr. WICKERSHAM. I would not give even a temporary title.

Dr. EVERMANN. That was not the intention in the beginning. The license is renewable year after year at the discretion of the Secretary of Commerce and Labor.

Mr. WICKERSHAM. Section 4 in this clause gives an exclusive and preferential right until January 1, 1913, and thereafter year by year, as long as the trap owner desires it.

Dr. EVERMANN. But it terminates each year and is renewable each year at the discretion of the Secretary.

Mr. WICKERSHAM. Well, I do not think it says that.

Dr. EVERMANN. Well, it does not make it mandatory upon the Secretary that he shall issue the license for that particular site.

Mr. WICKERSHAM. I think it does. I think if you refuse to issue the license to my client and he complied with the law I would advise him that we could mandamus you under that section.

Mr. DORR. You do not think that the Federal Government would have any control of the fisheries at all after the State was admitted, do you?

Mr. WICKERSHAM. Not after the State is admitted, no; but until the time when the State is created and a constitution is adopted, of course Congress has control.

Mr. WEBB. But, Judge, if he pays a tax on a trap, he must have some limited property right in it.

Mr. WICKERSHAM. Certainly; he has a possessory right.

Mr. WEBB. Well, that is all that section gives him, except the right to renew it.

Mr. WICKERSHAM. I think not; I think it gives him more than a possessory right. I think it gives him much more than that; and it certainly, it seems to me, is the beginning of a bad system.

Mr. WEBB. Well, it seems to me that by virtue of that fact he ought to have some sort of a right.

Mr. WICKERSHAM. No; I do not think you have to go that far. If we are going to let these people stay there and fish and occupy the waters with a possessory right, I do not think that would finally culminate in a title to the ground; but when we begin to give them exclusive and preferential rights to specific areas, then I think we are drifting into a bad system, which will eventually lead to the ownership of the fisheries by private corporations.

Mr. WEBB. Then, under your arrangement, do you prefer to have a scramble each year to locate traps?

Mr. WICKERSHAM. No. I would let you alone. If I had any system, I would permit you to remain there, certainly; but I would not give you any exclusive and preferential rights to remain there, but only a possessory location.

Mr. BOWER. The section to which you referred says that he has the exclusive and preferential right to file an application.

Mr. WICKERSHAM. Yes; but I only used those words to show what the meaning of the section is—that it gives a preferential and exclusive right to maintain improvements on a certain spot as long as he shall maintain a trap there and pay the tax.

Mr. BOWER. But is not that really subject to the approval of the Secretary of Commerce and Labor?

Mr. WICKERSHAM. I do not believe it is under this section.

Dr. EVERMANN. Please be specific as to what it is that you fear might result if that section were adopted.

Mr. WICKERSHAM. I tried to explain that; that I am not afraid of this bill. I think this bill can be repealed and do away with any right which these people have. My fear is that it is the beginning of a system which was followed out in the Territory of Washington and which finally took away from the people of that Territory all the tidelands, the oyster beds, fish-trap sites, and everything of that kind.

Dr. EVERMANN. What is it that looms up before you that gives you anxiety?

Mr. WICKERSHAM. The sale of the tidelands and oyster beds of Washington.

Dr. EVERMANN. They are not in Alaska.

Mr. WICKERSHAM. No; but I am trying to explain to you that I think this is the beginning of the same system in Alaska by which all the tidelands in Washington were taken away from the people of that State. If the same system should be worked out in Alaska the fisheries there would pass into private ownership, and I hope by this amendment to secure the adoption of a different system in Alaska.

Mr. DORR. Now, Judge, the people did that themselves in their constitution.

Mr. WICKERSHAM. I know they did——

Mr. DORR. They were entirely responsible for it.

Mr. WICKERSHAM. The people did not. The officials did; those who prepared the constitution and submitted it, and the people really knew nothing about what the final result would be. We knew very little about it. We know a good deal more about the effect of that system now, and I think it is a bad system.

Dr. EVERMANN. Let me say, Mr. Chairman, that that system is the system which has been finally worked out by the State of Maryland with regard to her oyster fisheries, and which is working much more satisfactorily now than any other system that they have ever tried.

Mr. WICKERSHAM. Yes; but the State of Maryland owns her oyster fisheries, and always has owned them. She is in possession; she is not going to sell them; and she can give possessory title and leave the lessee temporarily in possession and disposes him at any time she pleases. That is exactly what I want done in respect to the Alaska fisheries. But in Alaska we are just beginning to work out a system, and I say again that I do not want the Washington State system to prevail in Alaska. I want the Maryland system, which will continue in the State forever the ownership and control of the fisheries, and not in private parties [reading]:

SEC. 2. That every person, association, or corporation engaged in the business of canning, curing, or preserving fish, or manufacturing fish or fishing products in Alaska, or fishing in any of the waters of Alaska over which the United States has jurisdiction shall annually pay license taxes on said business and output as follows: For every fishing boat propelled by oars or sails, and carrying not more than two men, two dollars; where such fishing boats carry more than two men, then one dollar additional for each additional man; for each launch, tug, scow, steamer, or sailing vessel used or employed in such trade, or in transporting fishermen, employees, supplies, or fish to, from, or in Alaska, one dollar per ton, gross tonnage; for each fish trap used for taking salmon or other food fish in any of the waters of Alaska, except in the Kuskokwim and Yukon Rivers and their tributaries, and all waters north of the Yukon River, two hundred dollars per annum; for each purse seine, thirty cents per fathom; for all other forms of fishing gear, including haul seines, stake nets, gill nets, and trammel nets, five cents per fathom.

The bill being considered has fixed the rate at 1 cent. I increase it to 5 cents. The reason for that is that it seemed to me that if 30 cents was a fair price for one kind of gear the other rate ought to be somewhat increased. I would like to know if there is any difference.

Mr. DORR. I would like to ask you a preliminary question. As I understand your reading you propose to tax a gill net boat, which carries two men—because that is the kind of boat that does carry two men—\$2, and then you propose to tax the gill net that they use besides.

Mr. WICKERSHAM. Yes; certainly. Both are property. If you had that property in Seattle you would have to pay a tax on it as property. I want property to be taxed as property, and both ought to be taxed, of course.

Dr. EVERMANN. In answer to your question regarding the purse seine, I would say that our idea was to put the purse seine upon approximately the same basis upon which the trap was placed. The purse seine is probably an even more effective means of fishing than a trap, because of its mobility and the fact that it is more difficult to keep track of trap and to enforce the regulations regarding it. ✓

The CHAIRMAN. I understood the judge to ask you why the difference was so great between the tax on the purse seine and the other seines—why there is such a great difference.

Dr. EVERMANN. The other seines are relatively innocuous as compared with the purse seines. They are not nearly so effective.

Mr. WICKERSHAM. I noticed you had the purse seine taxed at 30 cents and the other 1 cent per fathom.

Mr. GORMAN. It is also a fact that the drag seine is used almost exclusively by the natives in southeast Alaska.

Mr. WICKERSHAM. I do not think the natives ought to pay anything if they fish for themselves.

Mr. GORMAN. I know we have two canneries where we fish 90 per cent by drag seines, and all our fishermen are natives. We supply the seines and the boats and pay them for the fish.

Mr. WICKERSHAM (reading):

canned salmon, per case of forty-eight cans of one pound each, according to the species, as follows: Pink or humpback, five cents; dog or chum, five cents; coho or medium red, seven cents; king or spring, eleven cents; red or sockeyes, eleven cents; pickled salmon bellies, two dollars per barrel: *Provided*, That no person, association, or corporation shall use salmon for pickled bellies unless the whole of the fish is otherwise canned or preserved in some manner for food—

I think there is a provision in your bill of the same kind, Doctor.

Mr. BOWER. There is a provision in the existing law.

Mr. WICKERSHAM. That is for wanton waste.

Mr. BOWER. Yes; for wanton waste.

Mr. WICKERSHAM. I knew there was a general provision, but I put that in there as a suggestion, if nothing more [reading]:

salt or smoked salmon in bulk, fourteen cents per hundred pounds; fish oil and whale oil, twenty-five cents per barrel; and fertilizer, one dollar per ton, except when made from sharks or whales or from offal or waste from salmon canneries or salteries, when fertilizer shall pay fifty cents per ton.

I notice in the bill before the committee, Mr. Chairman, that under its terms when the fertilizer is made from sharks, offal, and waste, it does not have to pay any tax in Alaska. I think it ought to pay a tax as property. These fertilizer plants ought to pay the property tax, and as long as it is outside the incorporated towns it does not have to do that, and under the bill for the creation of a legislature for Alaska, now pending in the Senate, Congress reserves to itself the right of taxing fisheries in Alaska.

The CHAIRMAN. And fish property.

Mr. WICKERSHAM. I understand so.

The CHAIRMAN. Permanent property?

Mr. WICKERSHAM. Well, I am not sure about that. The provision is pretty broad. It may go that far; so that I think all of these properties ought to pay a property tax, and the tax ought to be fixed in this bill if the Alaska legislature is to be barred from taxing them.

Mr. DORR. Do you claim, Judge Wickersham, that the Alaska territorial bill as it passed the House deprives the legislature, if it shall be organized under that bill, from levying taxes upon all property in Alaska, including canneries and other property belonging to the fishing companies?

Mr. WICKERSHAM. Not as it passed the House; but there is a clause which has been tentatively put into the bill before the Senate committee which might have such an effect as that. I can not tell, Senator, what Congress may finally do.

Mr. DORR. I do not know what that clause is; I have not seen or heard of it; but certainly the bill as it passed the House——

Mr. WICKERSHAM. Would not keep them from levying the tax upon shore property.

Mr. DORR. Would not keep the legislature of the Territory of Alaska from levying taxes upon their shore property.

Mr. WICKERSHAM. But it would prevent them from levying license taxes or any of the taxes mentioned in this bill.

Mr. DORR. I so understand it.

Mr. WICKERSHAM. I so understand it.

Mr. BROWNE. May I ask one question there? Why do you differentiate between the tax on fertilizer made from offal and the tax on fertilizer made from anything else if you go upon the theory that you are taxing those products as property? Would the value of one be any less than the value of the other? I am interested in the herring side, and I should like to know why you increase the tax on fertilizer made from herring.

Mr. WICKERSHAM. It is made from a more valuable material. It is made from fish that swim in the sea and the other is made from refuse.

Mr. BROWNE. It does not bring a higher price.

Mr. WICKERSHAM. It ought to bring just as high a price, and then it may serve as a protection to the herring fishery and prevent their use as fertilizer, which is desirable.

Mr. BROWNE. Well, then, its value should be determined by that.

Mr. WICKERSHAM. Well, possibly; but there was nothing here on which to base the tax. I suggest that you tax both kinds.

Mr. BROWNE. The bill as introduced increases the tax in the present law from 20 cents a ton to 50 cents a ton on fertilizer. You suggest raising the tax on fertilizer made from herring to \$1 a ton when it is now only 20 cents a ton.

Mr. WICKERSHAM. Well, I think it ought to be increased if you make it out of herring.

Mr. BROWNE. We have made no objection to the increase to 50 cents a ton.

Mr. WICKERSHAM. Well, that is a matter, of course, for the committee to consider. [Reading:]

Provided, That when any boat, launch, tug, scow, steamer, sailing vessel, purse seine, or other form of fishing gear, except traps, mentioned in this section, is owned and used by any bona fide resident in Alaska in the fishing trade or business therein, the rate of license shall be twenty-five per cent less than the amounts herein above named.

The CHAIRMAN. That is, you make them pay 75 per cent?

Mr. WICKERSHAM. Yes. I think the people who live in Alaska, Senator, ought to have at least that much advantage in the ownership of that class of property, because they have their homes there; they pay taxes there; they live there; and they are assisting in building up the country. These people who come in for a 30-day or a 60-day fishing season and go out again and take away our product ought to pay more tax. And I think if an advantage of that kind is offered to people to live in Alaska, we will soon have a fishing population there, so that Capt. Moser can employ practically all of his people in Alaska in time.

I realize, Senator, that while there is a good deal to be said against these people coming into the Territory and bringing their Chinese and Japanese and foreign laborers in there, that there is no other way to do it now. They could not put up the fish without importing labor, and it is an unfair argument against them to say they are bringing foreign laborers into the Territory, although I say it. But I realize that if they did not do that they could not put up the fish, but what I am trying to do by advocating this policy of protection to Alaska fishermen is to build up the fishing population in the Territory.

Mr. MOSER. How long would a person have to reside in the Territory to come under the benefits of that amendment?

Mr. WICKERSHAM. Oh, any length of time. If he is a bona fide resident, I suppose for any length of time. I do not fix any time.

Mr. MOSER. Well, in the wording of your amendment, do you say "a resident of Alaska"?

Mr. WICKERSHAM. Just let me read it again to you.

That when any boat, launch, tug, scow, steamer, sailing vessel, purse seine, or other form of fishing gear, except traps mentioned in this section, is owned and used by any bona fide resident in Alaska in the fishing trade or business therein, the rate of license shall be 25 per cent less than the amounts herein above named.

So that there is no time fixed. If he is an actual bona fide resident of Alaska at the time the tax is levied he gets off at 25 per cent less than the foreign owner of the same kind of property.

Mr. BROWNE. How long is the term required under the law to obtain a residence in Alaska?

Mr. WICKERSHAM. One year. I suppose the period might be fixed by that.

Mr. BROWNE. It would seem to me that it would be.

Mr. WICKERSHAM. I suppose an amendment of that kind could be put in. I would not object to that. [Reading:]

SEC. 3. That it shall be unlawful for any person not a native of Alaska or a citizen of the United States, or who has declared his intention to become a citizen of the United States in conformity with the naturalization laws thereof, and who is not a bona fide resident of Alaska, to catch or kill, or attempt to catch or kill, except for his own domestic use, any fish of any kind or species whatsoever in any of the waters of Alaska under the jurisdiction of the United States; that it shall be unlawful for any person, association, or corporation to employ any person not a native of Alaska, or a citizen of the United States, or who has declared his intention to become a citizen of the United States in conformity with the naturalization laws thereof and who is not a bona fide resident of Alaska, to catch or kill, or attempt to catch or kill, by any means whatever, any fish of any kind or species whatsoever in any of the waters of Alaska under the jurisdiction of the United States; and every person, association, or corporation who shall violate any of the provisions of this section shall, upon conviction thereof before any court of competent jurisdiction, be fined not less than fifty nor more than five hundred dollars for each offense; and every alien so employed by any person, association, or corporation in violation of this section shall constitute a separate and distinct offense.

Mr. Chairman, I put that in to cover a general demand from Alaska and a short section that you put into the bill providing that Asiatics should not be permitted to catch fish in Alaska. I know something about the difficulty up there and I thought this would cover it better than that short provision.

The CHAIRMAN. You extend that prohibition to every alien?

Mr. WICKERSHAM. I extend it to every alien for this reason, Mr. Chairman, and I would like to have Mr. Dorr's opinion about that. I do not know what is to hinder an American vessel from getting a crew of citizens of British Columbia and fishing in Alaska waters and then taking the fish over to British Columbia. What is the situation in respect to that, Mr. Dorr?

Mr. DORR. At the present time, you mean?

Mr. WICKERSHAM. Yes.

Mr. DORR. I think the existing alien law, so-called, applies to all aliens alike, whether Europeans, Asiatics, or whoever they may be. The difficulty that you have had up there, as I understand it from your remarks made the other evening at the hearing, is in connection with Judge Lyons's opinion in the case decided in his court, this seems to have come through some corporation employing aliens by the month to fish. Judge Lyons held, I believe, that the law did not prevent that.

Mr. WICKERSHAM. That is the present law?

Mr. DORR. Yes, sir; that the present law did not prevent an alien from fishing for a citizen when employed by the month; and certainly the present law would operate to prevent the British subjects that you have just alluded to from coming over from British Columbia and fishing in Alaskan waters on their own account.

Mr. WICKERSHAM. Yes; it would on their own account, but suppose you took your Alaska Packers' Association vessel and employed them and went up and caught fish and took them across to British Columbia?

Mr. DORR. Well, under Judge Lyons's ruling, if these men were working for our citizens, or for any of our fishing companies which were lawfully operating in those waters, at stated salaries, they would have the right to fish.

Mr. WICKERSHAM. Yes. Very well, then. It reduces itself, as the law now stands, to this: If the captain of an American vessel employs aliens and goes over into Alaskan waters and takes fish these aliens then may take the cargo over to British Columbia without the payment of any duty or tax. That sort of a scheme would virtually throw Alaska fisheries open to Canada.

Mr. GORMAN. You say an American vessel?

Mr. WICKERSHAM. An American vessel; yes.

Mr. GORMAN. That is right. They do it now in Puget Sound.

Mr. WICKERSHAM. I understand they do, and I understand they do it in Alaska. Is that correct?

Mr. DORR. I don't know about Alaska, but I do know that the British Columbia citizens come over into the waters of the State of Washington and buy fish there and take them over to the British Columbia side; and I also know that there is a law in British Columbia which prevents our American citizens from doing the same thing, conversely.

Mr. WICKERSHAM. Yes. Well, now, Mr. Dorr, I am informed—and I am only informed; I have no other information—that that is carried on in Alaskan waters.

Mr. GORMAN. I think I can answer the question you raise very probably as well as any one.

Mr. WICKERSHAM. Well, what is it?

Mr. GORMAN. There is only one place that I know of in Alaska where there is anything of that kind done, and that only during the last few years. You will recall that there was a cannery known as the Wales Island cannery set over into Canadian territory by the change of the boundary. That cannery was purchased by Canadians last year from the owners in New York City, and was operated during the year 1911, the year just passed. It is within a few miles of the border line off the mouth of the Skeena River, at a place called Hidden Inlet. Do you know where it is?

Mr. WICKERSHAM. Yes; I know where it is.

Mr. GORMAN. With the exception of that particular locality I do not know and never heard of any fish being taken from American waters into British Columbia, and that only in a small way, as their entire pack last year did not amount to 15,000 cases of everything.

Mr. DORR. That cannery was supposed to be on the American side prior to the decision of The Hague tribunal in the Alaska boundary arbitration. Under that arbitration decision it was held to be on the other side of the line.

The CHAIRMAN. I want to ask about that. They have a claim pending in Congress.

Mr. DORR. Somebody introduced a bill last week, I believe.

Mr. GORMAN. Has it been introduced again? This bill was introduced some four or five years ago, and the principal owner, or at least the president and manager—I do not recall his name now—has since died, and the cannery people had to—I know the people, I know their address at least, and have it in New York. It was sold last year. I know it was sold, because I was negotiating for the plant myself. It was sold to the Des Bresses, of Vancouver, British Columbia. They are salmon buyers and brokers, and are entering the cannery business on the British Columbia side, and they are the people who purchased that cannery and now own it.

Mr. WEBB. The gentleman who was manager of that cannery was Mr. James Churchill.

Mr. GORMAN. In justice to the former owners I want to state that they sold that plant for \$4,000. It cost more than \$60,000.

The CHAIRMAN. Mr. Gorman, since that territory was decided to be British territory what did they do with that cannery during the intervening years?

Mr. GORMAN. It was never operated.

The CHAIRMAN. Did they never operate it at all?

Mr. GORMAN. Oh, yes. They operated it when it was in American territory.

The CHAIRMAN. I mean, since that decision?

Mr. GORMAN. No. It was never been operated since that decision until the present British Columbian owners bought it.

The CHAIRMAN. That is, the American owners, after the award was made, never operated it at all, but sold it in 1911 to British Columbia people for about \$4,000.

Mr. GORMAN. Yes, sir.

Mr. WICKERSHAM. Why didn't they operate it?

Mr. GORMAN. I am glad you asked that question, and I will tell you. Up to the last year or the year before there has been no market in British Columbia for pink or chum salmon.

Prior to the passage of the bill in Congress taking the duty off of American salmon going into the Philippines the British Columbia packers had an equal chance to enter the American market with the American packers. Since the enactment of that law the duty remains, of course, on British Columbia salmon going into the Philippines and is taken off on American salmon; that is, when it goes right through on United States vessels from American ports to the Philippines there is no duty. That shuts the British Columbia packer out of the market for the cheaper grades of salmon, and until the last year and a half or two years, at most, there has been absolutely no market in the United Kingdom or Australia or other British possessions for the cheaper grades of salmon, but within the last two years the British market is taking more of these cheaper grades of salmon. Hence there is some development along the lines of packing cheaper salmon on the Canadian side now for British markets; but, of course, they are in competition with the American packers for the same market.

You understand, of course, that there is a duty on Canadian canned salmon coming into this country of 30 per cent, which makes it prohibitive, and the same duty applies if we ship salmon into Canada.

Mr. WICKERSHAM. But there is no duty on raw fish?

Mr. GORMAN. Oh, yes. There is a duty of 1 cent a pound on raw fish coming from British Columbia into the United States.

Mr. WICKERSHAM. But there is none the other way?

Mr. DORR. None.

Mr. WICKERSHAM. That is the point I was trying to make, that our fresh salmon from Alaska may be carried into British Columbia without paying any duty, while Canadian fishermen are protected.

Mr. GORMAN. The same thing applies to Puget Sound. They can come in and take our salmon to British Columbia without paying a duty, but we can not take their salmon into this country without paying a duty to our Government; not only that, but they have a prohibition in British Columbia against the exportation of red salmon in any form except in cans.

The CHAIRMAN. I have another question about this cannery. There was nothing in that award that interfered with their supply of fresh fish for that cannery, was there?

Mr. GORMAN. In the change of the line, you mean?

The CHAIRMAN. Yes.

Mr. GORMAN. There was nothing in the change of the line that interfered with their supply of fresh fish. What they did do was to place them on the Canadian side of the line, thereby taking away their market for their product, and they could not then afford to operate on the prices received for their product.

The CHAIRMAN. When they took their product into the United States or into the Philippines they had to pay tariff on it, but there was nothing that interfered with the supply of fresh fish.

Mr. GORMAN. I should say there was nothing.

The CHAIRMAN. That is clear. They had the same fishing ground that they had before?

Mr. GORMAN. Yes.

The CHAIRMAN. How long was the plant there idle?

Mr. GORMAN. I think fully for four seasons. I am not sure.

Dr. EVERMANN. Mr. Gorman, was 1903 not the last year they operated?

Mr. GORMAN. They operated for only one or two years—two years, I think.

Mr. EVERMANN. I visited the cannery in 1903, and in the winter following the owner—or one of the owners—was here in Washington. I can not recall his name.

Mr. GORMAN. That man has since died.

Dr. EVERMANN. And my impression is that they never operated the cannery after 1903.

The CHAIRMAN. So that it was idle, then, for about 9 or 10 years?

Mr. GORMAN. I do not remember the last year they operated it.

The CHAIRMAN. Well, if it was shut down in 1903, then it was idle until 1911.

Mr. GORMAN. It can be fixed by the date of the survey between the two countries by which they were thrown over to the Canadian side. It was never operated from that time up to last year, when it was purchased by British Columbia owners.

The CHAIRMAN. The property during that time must have deteriorated very materially in value.

Mr. GORMAN. No, Senator; because they maintained watchmen there continuously. They kept the plant in shape, repaired the buildings, renewed piling, and took care of the machinery. It was never without protection in that respect. I speak advisedly on that, because I investigated the property with a view of buying it when it was sold.

The CHAIRMAN. Independently of its location, what would you consider the property to be worth? I mean, what is the practical value of the plant there?

Mr. GORMAN. The physical property?

The CHAIRMAN. The cannery buildings and machinery.

Mr. GORMAN. I would say that it would cost \$40,000 or \$50,000 to replace the property in its physical condition as it was.

The CHAIRMAN. Then, what led them to sell it last year for \$4,000?

Mr. GORMAN. That is a hard question to answer. I should say, however, that their principal purpose in selling it was that it was in Canadian territory, and they could not see any reasonable future for the packing of pink salmon in that territory.

The CHAIRMAN. Do you know whether or not they had attempted to sell it before that?

Mr. GORMAN. It had been for sale continuously, I believe, from the time that the change of the line set it over to the Canadian side.

The CHAIRMAN. Do you know what they had been asking for it?

Mr. GORMAN. I do not.

The CHAIRMAN. Do you think they probably got discouraged and concluded to take what they could get out of it?

Mr. GORMAN. They got more than discouraged. They became disgusted with their ownership in it, and it was only when they were begging for buyers at a nominal price that I became interested in it and investigated it.

Mr. DORR. With reference to the importation of fresh fish from British Columbia, and in further answer to the question that was asked a little while ago, I have a copy of an order in council of the

Dominion Government, passed at Ottawa on the 12th day of March, 1910, which provides, under section 6, subdivision B, reading as follows:

No sockeye salmon shall be exported from the Dominion of Canada except in a frozen, canned, salted, smoked, or dried condition.

That is the existing law there now, unless it has been modified since that time, and if it has been modified I have not heard of it. That law prevents Americans from catching any fish across the line and bringing them on our side.

The CHAIRMAN. Or buying them from Canadian fishermen.

Mr. DORR. Or from buying from Canadian fishermen but it allows them to come over into our waters and buy our fresh fish and export them to British Columbia.

Mr. WICKERSHAM. The last section read to you would exclude Chinese, Japanese, and Asiatic fishermen covered in your section, as well as alien fishermen from British Columbia, from taking away our salmon, and I think it ought to be enacted in protection of the fishermen in Alaska.

The next section is a very short one, but I think a very important one [reading]:

SEC. —. That section two of the act of Congress entitled "An act for the protection and regulation of the fisheries of Alaska," approved June twenty-six, nineteen hundred and six, be, and the same is hereby, repealed: *Provided*, That this section shall not take effect until July first, nineteen hundred and thirteen.

Section 2 of the act of 1906 is the one that is attempted to be amended by section 2 of the bill which you are now considering, but your section is a long one and goes over the same matters very largely that is found in the old section. Section 2, Mr. Chairman, which I propose to repeal, is the rebate law.

The CHAIRMAN. That is what I was going to ask you, if it was not the rebate law.

Mr. WICKERSHAM. Yes; I propose to repeal it. The repeal to go into effect on July 1, 1913. The last clause of the section now before the committee, provides:

Nor shall any rebate be obtained from the output of any fry liberated by any private salmon hatchery after the revocation of such approval, or in any case after June thirtieth, nineteen hundred and thirteen.

I think that section ought to be repealed. If you take that view of it then let the repeal take effect as of July 1, 1913—it amounts to the same thing, and I think it ought to be repealed. I am opposed to the rebate law in its entirety.

I criticized the Bureau of Fisheries a while ago, Mr. Chairman. I did not say all I wanted to about the Bureau of Fisheries.

I think the Bureau of Fisheries is calculated to do and has done as much good in Alaska as any bureau of the Government. I think it has done great good there and I think it is calculated to do a great deal more good, and I approve most everything it has done. I do not think it has always taken the right view of the rights of the people of Alaska, but it is not a legislative body, and its officials are simply looking after that portion of the work which is left to them. But I do not mean to criticize them in toto. I think they have done

a very great good there and I want that to go into the record. I will read another section, and that is as follows:

SEC. —. That every male person between eighteen and fifty years of age who shall be engaged or employed in any branch of the fishing trade or business in the Territory of Alaska, either on vessels or on shore, in canneries or other fishing plant, or as a sailor or employee on any vessel engaged in said trade, including herein all Chinamen, Japanese, and other foreigners who shall engage as employees or otherwise in any part of said work, or at all, except Indians resident in Alaska, shall annually perform two days' labor on the roads and trails in Alaska as provided in that act of Congress entitled "An act to authorize the appointment of road overseers and to create road districts in the district of Alaska, and for other purposes," approved April twenty-seventh, nineteen hundred and four, and all acts amendatory thereof, or pay a road poll tax of two dollars per day for two days, and every person, company, or corporation employing any such person in Alaska shall make a statement under oath, in writing, to the clerk of the district court in that division wherein said person is employed, setting forth in detail the number of persons so employed; and in case such person shall not work on the road said employer shall retain from the wages or sums due to each of such employees the said sum of four dollars, and shall pay the same to the said clerk; and every such person, company, or corporation shall be held liable to the Government and shall pay to said clerk the sum of four dollars in payment of said road poll tax, and upon failure to so pay the same upon demand the district attorney for the division in which the said employee shall have worked shall bring a suit or suits in the district court in that division to recover the same; and in bringing said suit or suits the total sum due on account of all employees for which the said person, company, or corporation may be liable may be joined in one or more suits at the discretion of the district attorney. All sums so received shall be paid to the clerk of the court, and all sums received by the clerk on that account shall, at the time that fish-license taxes are forwarded to the Treasury Department of the United States, be forwarded to and deposited in the Treasury Department of the United States and there added to the "Alaska fund" created and described in amended section one of "An act to amend an act entitled 'An act to provide for the construction and maintenance of roads, the establishment and maintenance of schools, and the care and support of insane persons in the District of Alaska, and for other purposes,'" which amendatory act was approved May fourteenth, nineteen hundred and six, and be expended for the uses provided in said section one as therein enacted, and every other male person in Alaska, between eighteen and fifty years of age, mentioned in that act of Congress entitled "An act to authorize the appointment of road overseers and to create road districts in the District of Alaska, and for other purposes," approved April twenty-seventh, nineteen hundred and four, and all acts amendatory thereof, shall perform two days' work of eight hours each in locating, constructing, or repairing public roads or trails, under the direction of the road overseer within whose precinct they may, respectively, reside, or furnish a substitute to do the same, or he shall pay the sum of two dollars per day for two days' labor, and no more, under the provisions of said road laws.

The CHAIRMAN. Do you think you should put that last clause into this bill?

Mr. WICKERSHAM. Yes.

The CHAIRMAN. I am afraid it would complicate the bill. I do not mean the whole section; I mean just the last portion you read. It is entirely independent of the fisheries proposition.

Mr. WICKERSHAM. Yes; it really completes the scheme for levying and collecting a poll tax from foreign fishermen.

The CHAIRMAN. No; it does not purport to be, but the last part is absolutely independent of the fishery proposition.

Mr. WICKERSHAM. I know, but there is no constitutional prohibition against it.

The CHAIRMAN. Oh, no.

Mr. WICKERSHAM. And I want it in there because it reduces the road-building taxes upon the people of Alaska to \$2 a day. It is now \$4 a day, and I think it ought to be reduced.

The CHAIRMAN. That would be a matter clearly within the jurisdiction of the Committee on Territories.

Mr. WICKERSHAM. I do not know; possibly.

The CHAIRMAN. However, we need not discuss that now.

Mr. WICKERSHAM. Now, Mr. Chairman, I know there is a feeling on the part of these gentlemen that they ought not to build any roads in Alaska, or help build schoolhouses, or anything of that kind; but they bring alien or nonresident fishermen to Alaska who take the places of men resident in Alaska, and I think they ought to pay road-building taxes.

The CHAIRMAN. Judge, if anything of that kind is done do not you think there ought to be a straight provision requiring the payment of so much money, say \$2 a day, instead of allowing them to work on the roads?

Mr. WICKERSHAM. No; I think the scheme of taxation ought to be fair and equal. If Capt. Moser will not let his employees work on the roads he will pay in cash, but the taxing plan ought to be equal and fair toward every class of persons. The canners may have some roads around their canneries which they may wish to build. They have been talking about a road at one of their hatcheries, and I think if the question was put right up to them they would take a lot of these men and build a road there, and this the scheme ought to allow.

The CHAIRMAN. As a general rule, would that road be worth anything to anybody except the canneries?

Mr. WICKERSHAM. Oh, yes. Roads that go back into the interior in any direction are good for all of us, and I think all would get the benefit of it. I do not think the cannery men would lose by the expenditure of this money. I think they would require their men to pay the tax and then build the roads in their neighborhood, and incidentally we would get the benefit of it in the Territory.

The next section reads:

SEC. —. That every person, company, or corporation engaged in the fishing trade in Alaska who shall bring merchandise therein to sell to the employees of such person, company, or corporation, or to anyone else, at any other place than in an established store regularly maintained during the year, shall pay double the license tax upon such business imposed upon mercantile establishments by section twenty-nine of "An act making further provision for a civil government for Alaska, and for other purposes," approved June sixth, nineteen hundred, and it shall be the duty of every district attorney and of each of his assistants in Alaska to give special attention to the enforcement of the license-tax laws and of this section.

Now, Mr. Chairman, every year when these people come to Alaska they bring a slop chest, as they call it, or a great deal of merchandise, which they sell to their men and the public. They supply their men and sell to whoever wants to buy for the short period they are there. This merchandise is taken up there in their own vessels; they bring it for a very small freight charge; practically no charge, and they buy cheap material. They get it at wholesale, and if there is a store in the neighborhood where the cannery people bring their supplies, that store, of course, is put out of business. Any man who has to compete with them under those circumstances in Alaska would certainly be put out of business during the time their supplies are there.

The CHAIRMAN. Where do they keep their supplies—on the vessel?

Mr. WICKERSHAM. They are on board the ship or in a store at their places.

Mr. MOSER. Our company does not operate any store in Alaska. There are stores that are opened and kept by the superintendents. During the summer time they are operated by some assistant of the superintendent—some one whom he employs—and during the winter they are always open and kept by the watchmen at the cannery.

Mr. WICKERSHAM. Then, under those circumstances, they would pay only the taxes they are paying under the general law.

Mr. DORR. Under the slop-chest provision, Mr. Chairman, the United States statute requires these ships to carry slop chests. They dare not go to sea without them. If they do they are subject to fines and penalties. A slop chest is required by the statute for the sailors' use.

Mr. WICKERSHAM. Yes; but the United States does not require you to bring merchandise into Alaska to sell even to your own employees at the canneries.

Mr. DORR. No, it does not; but you were speaking about the ships' slop chest.

Mr. GORMAN. In that connection I would like to state that speaking particularly of southeast Alaska, where most of the so-called independent canneries operate—that is to say, operators who own individual canneries—they are located, in almost every instance, with the possible exception of two that I know of, anywhere from 20 to 130 miles away from stores where merchandise for their employees could be purchased; and in most instances, too, these canneries operate, the year around, a small store, principally to supply their employees in the summer time, and they leave a watchman in charge, perhaps, in the wintertime, and they operate the store, and it would be a physical impossibility for those packers, many of them, to go to the regular towns in Alaska and secure their supplies. For instance, take a cannery any place on Prince of Wales Island, in southeastern Alaska. There are a great many there. In transporting their supplies and freight they have to charter a vessel, unless the operator owns his own ship. In southeastern Alaska they are able to make a contract with the regular steamship lines, and they will agree to give you a vessel once a month or twice a month, according to the volume of the business and the season of the year. Hence those are the only ports from which they can get supplies in there. A packer on Prince of Wales Island would be compelled to go to Wrangell or Ketchikan, the only two towns in the Prince of Wales Island district, and every cannery is at least 35 to 100 miles from those two towns, with the exception of one cannery located at Wrangell.

Mr. WICKERSHAM. Now, Mr. Chairman, under the act of June 6, 1900, and acts amendatory thereof, all persons in Alaska engaged in mercantile business have to pay a tax. If you do a business of more than \$100,000 per annum, you pay \$500 tax; and as the amount of sales is reduced, you pay a reduction upon that \$500 in proportion. These people do not pay anything.

Mr. GORMAN. Pardon me, Judge. We pay our store tax, just as the merchants in town pay their store tax.

Mr. WICKERSHAM. I do not think you understand this section. I have provided, where you do pay the store tax, that this section shall not apply.

Mr. DORR. All of these companies who operate stores pay the same license tax, whether in town or out of town.

Mr. WICKERSHAM. I am covering the situation where you do not pay; and where you do pay a mercantile license, it does not increase your tax.

Mr. MOSER. Does not the law already cover that?

Mr. WICKERSHAM. I say this covers a case where you do not pay the license tax. This covers a case where you take up goods to your canneries and you do not pay the tax on your store. It applies only where you maintain this station for your own employees and for those who may come for that 30 or 60 day period.

Mr. MOSER. Well, I do not know of any such cases.

Mr. WICKERSHAM. Then, you would not have anything to pay.

Mr. GORMAN. I think you will find in the report of Mr. Baker, when he reports his business to the department at Juneau, that it carried a report which shows the amount of business done, and so on.

Mr. WICKERSHAM. In that case, Mr. Chairman, he would not have to pay anything under this section. This section only covers the other case where they do not have stores and sell merchandise without paying the annual license tax.

The CHAIRMAN. Captain, as I understand it, in Bering Sea the fishing season is only about a month.

Mr. MOSER. The sason for the big run is only about a month.

The CHAIRMAN. How long do you keep your ships up there?

Mr. MOSER. Our ships arrive out usually from the 10th to the 20th of May. They sail from San Francisco from the 1st to the 15th of April. They sail for home from the 25th of August to September 1.

The CHAIRMAN. It is about three months, then?

Mr. MOSER. Yes; over three months.

The CHAIRMAN. You take with you your merchandise and supplies for your employees there, do you?

Mr. MOSER. No; we have no stores at all. We do not operate any stores.

The CHAIRMAN. I asked you if you took up the supplies for your men and your employees, and so on.

Mr. MOSER. Yes.

The CHAIRMAN. Now, then, do you pay any tax on that?

Mr. MOSER. You mean the supplies we use in our own cannery?

The CHAIRMAN. The supplies you take up to Bering Sea—merchandise and things of that sort.

Mr. MOSER. We do not carry——

The CHAIRMAN. Foodstuffs, and everything of that kind.

Mr. MOSER. No. On foodstuffs we do not pay taxes.

The CHAIRMAN. You do not take any merchandise up there?

Mr. MOSER. For sale to the men?

The CHAIRMAN. Yes.

Mr. MOSER. No.

The CHAIRMAN. Suppose one of your employees wants a shirt?

Mr. MOSER. Oh, that is in this slop chest that the judge is speaking of.

The CHAIRMAN. That is what I want to get at now. Would you furnish him a shirt, and other clothing to other persons?

Mr. MOSER. That is in the store that is regularly licensed.

The CHAIRMAN. Is there a store up there?

Mr. MOSER. There is a store up there, kept by the superintendent of the cannery; yes; but we keep no store on our account.

The CHAIRMAN. I did not understand that you kept a store, Captain; but I did understand that you took the supplies up there and disposed of them to your employees, and I wanted to find out, if you did, whether you paid any tax or not.

Mr. MOSER. The company does not. The company is not concerned at all, but the superintendent is permitted by the company to operate a store, and he takes out a regular license, just the same as any other person.

The CHAIRMAN. So that the company as a company does take merchandise, for instance, when you go up there and disposes of it to the men as they want it, and at the end of the season it is brought back again. Is that right?

Mr. MOSER. There is a certain amount of merchandise on board every vessel in the fleet, in the slop chest that Mr. Dorr speaks of. That is required to be carried by law. We are obliged by law to have a slop chest on board ship for the purpose of supplying men with whatever they may need.

The CHAIRMAN. But that is only for the purpose of supplying the crew and not for the laborers and other people in your employ?

Mr. MOSER. Exactly. Then a certain amount of merchandise is taken up.

The CHAIRMAN. And on that they pay a tax.

Mr. MOSER. Those superintendents pay a tax just the same as any other concern up there.

The CHAIRMAN. That is what I wanted to get at.

Mr. DORR. In some of the other cases, Mr. Chairman, the companies which operate in southeast Alaska—in the case of the Alaska Packers' Association, as I understand from Capt. Moser, they, as a company, do not operate stores; but their superintendents do, and they pay their store licenses—in the cases of a number of companies that I specially represent in this hearing, they operate and maintain stores just as other merchants do, and they pay their regular store licenses just as other merchants do. They do not have any ships and they do not have any slop chests, but they transport their merchandise up by regular steamers and they maintain their stores there.

The CHAIRMAN. You do not know, Mr. Dorr, of any instance or condition that would come under the proposed double-tax provision that Judge Wickersham read?

Mr. DORR. I do not know of any case in Alaska where a store evades its license tax, but, as I understood Judge Wickersham's reading of the section, it requires that cannery concerns shall pay double tax. That is the way I understood it.

The CHAIRMAN. He has stated that he intended that to cover a condition or a case where they did not pay the regular tax under the general law.

Mr. DORR. I know that he so explains it.

The CHAIRMAN. But he stated that there were conditions of that kind there.

Mr. DORR. He stated that there were conditions of that kind there and I probably misunderstood his reading, but as I gathered from the reading of the section I took it to mean that such companies as I refer to, which are here represented by myself, where they operate a store but are nonresidents of Alaska would be compelled to pay a double tax.

Mr. WICKERSHAM. Oh, no; you have that wrong. The section does not read that way and I have no such intention. I have been informed that that condition does exist up there. As I said, I do not know anything about it, because I have not made a personal examination.

The CHAIRMAN. That is, you have been informed, have you, Judge, that there are what might be called stores run by these different canneries?

Mr. WICKERSHAM. For a short time; yes.

The CHAIRMAN. For a short time where they pay no tax?

Mr. MOSER. I may say that in isolated regions like Bristol Bay, where there is no regular communication throughout the year, all the supplies are shipped in during the spring months.

Mr. WICKERSHAM. Your superintendents do not sell the year round—that is, maintain an open store during the entire year?

Mr. MOSER. I will not say they are open from 8 in the morning until 6 in the evening, but anyone who wants the goods can get them out of those stores at any time.

The CHAIRMAN. At any time in the year?

Mr. MOSER. Yes, sir; at any time in the year.

Mr. WICKERSHAM. Then, under that provision, Captain, you would not have to pay anything more than you are already required to pay by the present law.

Mr. MOSER. In isolated places in Bering Sea the stores are opened and goods can be bought from them.

The CHAIRMAN. And they pay the license tax?

Mr. WICKERSHAM. And that is the purpose—to induce them to pay the license tax.

Mr. GORMAN. The clerk of the court at Juneau, when he sends out the regular Government form for reporting the tax on the salmon packed in the Territory, also sends a blank for reporting merchandise or sawmill business or any other business in which they are engaged. Then, of course, the owner of these properties makes the report, swears to it, and sends it in with the license.

Mr. WICKERSHAM. Now, Senator, I want to call attention to a defect in this law. It is a defect in the old bill. It is found in the old and the new bill. It might embarrass us in legislating upon these matters, especially in case the legislative bill now pending in Congress should become a law. I will read the section and call attention to the defect:

That every person carrying on the business of canning, curing, or preserving fish or manufacturing fish or fishery products within the Territory of Alaska, ceded to the United States by Russia by the treaty of March thirtieth, eighteen hundred and sixty-seven, or in any of the waters of Alaska over which the United States has jurisdiction, shall, in lieu of all other license fees and taxes therefor and thereon, pay license taxes on the said business and output as follows:

Now, the provision the license tax shall be “in lieu of all other license fees and taxes” is a pretty broad one, and ought to be limited to the license fees alone.

The CHAIRMAN. Assuming that the legislative bill becomes a law, what change would you suggest there, Judge?

Mr. WICKERSHAM. Well, I would suggest that it is very doubtful now whether in an incorporated town any of the property of those canneries could, if located there, be made to pay a “tax.”

Mr. DORR. On their property?

Mr. WICKERSHAM. Yes, sir. I think it is a very serious question.

Mr. DORR. Whether they could be made to pay a tax of any kind under Alaska Territorial legislation?

Mr. WICKERSHAM. I mean if this law is continued in force. It is the old law, and it is proposed now to renew it. I think the words "and taxes" ought to be stricken out.

The CHAIRMAN. That is, strike out what?

Mr. WICKERSHAM. Strike out the words "and taxes." Strike out the words "and taxes," because the license fees are all they have to pay under this bill.

Mr. DORR. That is the provision in the old law and it has just been recopied in the new bill. It only covers the license fees and taxes on the output; that is an occupation tax, not a property tax. It can not in any way be argued that it is in lieu of ordinary taxes on the shore property. That is not contemplated by this section.

Mr. WICKERSHAM. Well, it provides that the license fee shall be in lieu of all other "taxes," and that is altogether too broad.

Mr. WEBB. But you just add it on merchandise and sawmills.

Mr. DORR. My objection to your suggestion to strike that out, I think, is more serious than your objection to the present law, because, if you eliminate the provisions in this section as it now exists in the law, that the license on the fishing industry or the occupation tax is to be the exclusive tax on that industry, the Territory of Alaska might levy another license tax on the same thing, and we certainly do not want to get into that condition.

Mr. WICKERSHAM. No; I do not want that done.

Mr. DORR. I do not think you ought to have to pay a double tax upon anything. I think that can be obviated by putting a proviso in there to the effect that it shall not have the effect of preventing the levying of a tax upon your shore property. That is the idea. That is not the exact phrase one might use, but that is the idea. I think it is very doubtful if any tax can be levied now on your cannery shore property.

The CHAIRMAN. Such a proviso would prevent any additional license tax.

Mr. WICKERSHAM. Yes. I do not think there ought to be any duplication of that kind, Senator; not at all.

The CHAIRMAN. That would meet your suggestion, Mr. Dorr?

Mr. DORR. Yes; that comes to the same thing. I do not want to sit here and tacitly agree to a provision that would apparently provide for an entire license system by the Federal Government and at the same time give to the Territory of Alaska the right to duplicate it or to double up our license taxes.

Mr. WICKERSHAM. No, Senator; I want the record to show that I do not favor that, either.

The CHAIRMAN. I think Mr. Dorr made his position clear the other night that he had no objection; in fact, he thought it right, that permanent shore property should be taxed.

Mr. DORR. I said that emphatically, and I want to repeat it now, if there is any doubt about it.

Mr. WICKERSHAM. Yes; but I want to say that I doubt very much whether that could be done in an incorporated town as the law now stands.

Mr. DORR. How about these other kinds of business that are licensed? For instance, one of the first items in the bill is a boarding house. Do you mean to say that because that boarding house pays a license that the boarding-house property can not be taxed?

Mr. WICKERSHAM. There is nothing in the law which prevents taxing the boarding house. That clause is only in the fish-license law. That is a complete answer to your question.

Mr. Chairman, I have examined most of the provisions in the bill prepared by the Bureau of Fisheries and very generally I am satisfied with them. I do not want to point out any more objections now except those that I have put in concrete form, and that is all I have to say.

Mr. MOSER. I would like to say, Mr. Chairman, in reference to the opening remarks of Judge Wickersham, that the Alaska Packers' Association is not inimical to the interests of Alaska. They would like to see Alaska built up, roads built and improvements made, and the company will use its influence to that end, but I may add that we do object to having the fisheries taxed for the benefit of these improvements. Large appropriations are necessary in the interior of Alaska for the building of roads and for the uplift of the country—far more than the fisheries can ever contribute. I do believe whatever tax is imposed on the fisheries should go back to the fisheries, as is done in every State in our country and in every country that I know of under the sun.

Mr. WICKERSHAM. Now, Mr. Chairman, I want to say in respect to that, that is no fairer than the suggestion that the Government should buy seed wheat for the farmer. I think it is upon the same identical plane, and I think a suggestion that it would be fair to expect the people of a community to buy seed wheat for the farmer is on all fours with the suggestion which Capt. Moser makes.

I think these people ought to do something for the benefit of the Territory of Alaska, and I think that the Alaska Packers' Association, by reason of their long-continued interest in Alaska since 1867—not the Alaska packers' corporation but the people who are the backbone of it, who have made their fortunes out of Alaska since 1867—ought to be willing to do something to help build up that country. They have not done it up to date, and I seriously object, Mr. Chairman, to the suggestion that all the money they pay in taxes should go back into the hatcheries.

I think the Government ought to maintain all of the hatcheries in Alaska and that the fisheries ought to be free. That, in one sentence, is my general attitude in respect to the fisheries in Alaska. I think Dr. Evermann ought to be given money enough and force enough to build hatcheries and maintain hatcheries and keep the fisheries of Alaska up to their highest point of efficiency until the State of Alaska is formed and takes the burden away from him by virtue of its constitution, and that the fisheries then ought to be free. I do not think the Alaska Packers' Association ought to be allowed to build a hatchery in Alaska. I think the Government ought to do that, and I would be very glad to support a bill of that kind.

Dr. EVERMANN. It makes no difference, of course, to the Bureau of Fisheries whether the funds necessary to operate hatcheries in Alaska are derived from this salmon tax or whether they are appropriated out of the funds in the Treasury not otherwise appropriated.

The CHAIRMAN. I think that goes without saying.

Dr. EVERMANN. I would like to call attention to Judge Wickersham's mention of buying seed for the farmer. It seems to me that the cases are not parallel at all. If you buy seed for the farmer, then he uses that seed on his own land; but salmon fry which are liberated by the hatcheries of Alaska are liberated into territorial waters, not into waters controlled by any individual.

Mr. WICKERSHAM. No; but the Alaska Packers' Association puts up about four-ninths of all the fish in Alaska.

Mr. MOSER. Where do you get that figure, Judge?

Mr. WICKERSHAM. I got it from Mr. Dorr's statement, filed here the other night, of the exact number of cans you people put up, in proportion to the number of cans put up by all other people.

Mr. MOSER. We packed 30 per cent of the Alaska pack last year.

Mr. WICKERSHAM. I say I got that figure from Mr. Dorr's statement filed here the other night of the exact number of cans you people put up in proportion to the number of cans put up by other people.

Mr. DORR. On a long period of time.

Mr. WICKERSHAM. On the whole period of time since you began operations in Alaska.

Dr. EVERMANN. It does not make any difference if they put up nine-ninths. When salmon fry are liberated in territorial waters anybody has a right to catch the fish.

Mr. DORR. As a matter of fact the catch of the Alaska Salmon Packers' Association used to be about 70 per cent of the whole, but by reason of growing competition their proportion has gradually diminished to about 30 per cent of the whole. The proportion has decreased as competition has increased.

Mr. WICKERSHAM. All that is a matter of figures which the committee has before it.

Dr. EVERMANN. I do not quite understand just what Judge Wickersham's criticisms of the Bureau of Fisheries are. So far as I have thought of the matter, all that the Bureau of Fisheries has tried to do and feels that it is called upon to do is to enforce the laws and regulations regarding the fisheries of Alaska and to make investigations in Alaska which will be for the benefit of those fisheries. Now, as a matter of fact, if there is a tax of 2 cents or 4 cents, or any other number of cents, upon any fishery product, that is not a matter in which the bureau is primarily concerned.

Mr. WICKERSHAM. Now, that is the exact criticism, Dr. Evermann, which I make against the Bureau of Fisheries. You make no effort to care for the interests of the Territory of Alaska in your legislation.

Dr. EVERMANN. Well, I do not believe that is a proper thing for the Bureau of Fisheries to consider as one of its primary duties. I do not believe the Bureau of Fisheries should consider the disposition of the revenue derived from a tax. It seems to me that that is a matter of secondary consideration for the bureau, and it does seem to me exceedingly proper that the bureau should hope that funds adequate for the support of a sufficient number of hatcheries to keep up the supply in Alaska should be provided from some source or other.

Mr. WICKERSHAM. I think the Government ought to furnish that fund. I think it ought to be put into your hands to manage, and

I would do anything I could to help that situation along, Dr. Evermann. I want to say now to the committee again that I have the greatest confidence in the membership of the Bureau of Fisheries. I think they are doing their duty, except, as I have criticized them, that I do not think they pay the slightest attention to the interests of the people of Alaska.

The CHAIRMAN. Nor to the future state.

Mr. WICKERSHAM. Nor to the future state.

The CHAIRMAN. I understand you.

Mr. WICKERSHAM. Except as they are trying to keep up the amount of the fish running in the streams; except as they care for the supply of fish.

Dr. EVERMANN. It seems to me that that is the greatest thing the Bureau of Fisheries can do, or can ever do, for Alaska, to do that which will constitute the fisheries of Alaska a permanent industry. That is the greatest duty of the Bureau of Fisheries in its relation to Alaska.

Mr. MOSER. May I ask Judge Wickersham a question?

The CHAIRMAN. Yes.

Mr. MOSER. As I understand his position—I do not know whether I am right or not—but do you believe the tax exacted from the fisheries should go to the internal improvements of Alaska?

Mr. WICKERSHAM. To some extent, yes. In just the same proportion that my tax should be devoted to that purpose.

Mr. MOSER. You believe that the fisheries should go to the General Government when they want money to be supported?

Mr. WICKERSHAM. Yes; I believe that.

Mr. MOSER. Why should you turn it around in that way?

Mr. WICKERSHAM. Because we need internal improvements and we need them so badly that we levy taxes upon our property to create them, and we ought to levy a tax upon you in the same proportion that we levy taxes upon other property in the Territory. Your property ought to pay just the same taxes as ours pays and for the same purposes.

Mr. MOSER. Can you cite any instance at all where the fisheries are taxed for that purpose?

Mr. WICKERSHAM. I suppose they are taxed everywhere in the world.

Mr. MOSER. For the purpose of internal improvement?

Mr. WICKERSHAM. Yes.

Mr. MOSER. Can you cite an instance of it?

Mr. WICKERSHAM. You told here the other night how you paid taxes on your property in California.

Mr. MOSER. In Washington the tax goes back to the fisheries; in California they pay a fishery tax, but it goes back to the fishery.

Mr. WICKERSHAM. I know; but in both those States if you have other property you have to pay taxes on it. That is all I want you to do in Alaska.

Mr. MOSER. My question was in reference to where the money should go, in your opinion, if the fisheries are taxed there.

Mr. WICKERSHAM. If the Government maintains the hatcheries, I think the tax ought to go into the general fund.

Mr. MOSER. Why should we take the tax collected from the fisheries, use it for interior improvements, and then have the fisheries go to the General Government for the money to maintain the fisheries?

Mr. WICKERSHAM. I think if you do, it is the better way to do it.

Now, all I propose in this bill is to tax your shore property; that is all.

Mr. MOSER. We are always willing to pay a fair and equitable tax.

Mr. WICKERSHAM. Well, if this is not a fair and equitable tax, I want the committee to make it fair and equitable, but I think that on every can of fish you put up in that Territory you ought to pay a tax and that tax ought to go into the common fund for the benefit of the Territory.

Dr. EVERMANN. You want the fisheries to assume all the risk? You do not want the roads to assume any risk?

Mr. WICKERSHAM. The roads do assume a risk.

Dr. EVERMANN. Not if the tax goes in that roundabout way you want it to.

Mr. DORR. Dr. Evermann means the risk of legislation.

Mr. WICKERSHAM. I am assuming, Doctor, that the Government is going to do its duty in these matters.

Dr. EVERMANN. That is with the fisheries; but you are not willing to trust Congress with the roads.

Mr. WICKERSHAM. Well, I notice you gentlemen are agreed on this road question in Alaska, and I am against you.

Mr. MOSER. You are getting quite a large sum from Congress for roads now.

Mr. WICKERSHAM. Yes, sir.

Mr. MOSER. And you get practically all the general fund for roads in Alaska.

Mr. WICKERSHAM. Every man in Alaska pays a road poll tax of \$8 a year and you cannery men and your imported fishermen do not pay anything.

Mr. DORR. Is there not some complaint there now that the money is not being properly expended for roads?

Mr. WICKERSHAM. I have made some complaint of that kind myself.

The CHAIRMAN. Well, now, has anyone else anything to say on this salmon proposition?

Mr. MOSER. I have just received the data, Mr. Chairman, for which you asked last Saturday. I have to put it in shape; it is not copied yet, but I will present it as soon as possible.

Mr. DORR. We would like to look over Judge Wickersham's proposed amendments with care.

The CHAIRMAN. I think probably we will have to have one more meeting. We will not endeavor to report this bill at this present session of Congress, however, it is now so late in the session. We will work out what we think ought to be done some time during the summer in a bill, and we hope to be able to report the bill early in the coming session. If there should be any suggestions that anyone desires to make to the committee, either represented here or anyone else, for that matter, before the convening of the next session of Congress, the committee will be glad to have them. I think it

proper to advise you of that so that you will understand the situation in that respect.

We will now adjourn. We will have another meeting as soon as I can arrange for it.

Thereupon, at 9.55 o'clock p. m., the committee adjourned to meet at the call of the chairman.

THURSDAY, JUNE 13, 1912.

COMMITTEE ON FISHERIES,
UNITED STATES SENATE,
Washington, D. C.

The subcommittee met at 8 o'clock p. m.

Present: Senators Jones (chairman), Bourne, and Overman.

Also: Hon. James Wickersham, Delegate in Congress from Alaska.

Also appeared: Dr. Barton W. Evermann, Chief Division of Alaska Fisheries, Bureau of Fisheries, and Mr. Ward T. Bower, assistant agent Alaska salmon fisheries. Also Messrs. John Sidney Webb, Aldis B. Browne, Charles W. Dorr, and J. F. Moser.

FURTHER STATEMENT OF MR. JEFFERSON F. MOSER, OF SAN FRANCISCO, CAL., REPRESENTING THE ALASKA PACKERS' ASSOCIATION.

Mr. Moser. Mr. Chairman, more or less has been said in regard to the operations of our fleet and I thought probably a few explanatory words might be suitable on this occasion.

The fleet of vessels owned and operated by the company I represent are a necessary adjunct to our work, and are used solely in our business. Formerly, when American sail vessels were plentiful, transportation was, for the most part, done by charters, but these vessels are fast disappearing and the remnant that is left are used in the off-shore trade, and are no longer available for our use. This condition has forced the cannery interest to provide their own transportation in the district outside of southeast Alaska.

Our fleet is loaded and dispatched between March 1 and April 15, and returns between September 15 and December 1. These vessels are not all discharged immediately upon their return, for the reason that the facilities available at all times do not permit us to handle the cargoes of more than three of our vessels at one time, and also when orders for shipment do not cover the entire cargo, the remainder, if sufficient to warrant it, is kept on board until orders are received, instead of fully discharging the vessel and paying heavy handling, warehouse and insurance charges. We have had vessels with cargoes on board until early spring. Under ordinary conditions, after the vessels are discharged, they are cleaned, fumigated, repaired, and thoroughly overhauled and made ready for the following season's work. The vessels of the fleet, if available, are not used in other commercial work for two principal reasons. First, the vessels, besides carrying the cargoes for the salmon business, are especially arranged with galleys, permanent quarters, etc., to carry a large number of men, all of which would have to be removed if they were chartered for freight transportation, and it would be necessary to replace these special fittings at a great expense when the charters

expired, and, second, they could only be chartered to go off shore on long deep-sea voyages, from which they could not return in time for our own business. It has been tried, and the embarrassment we suffered by the delayed arrival of the chartered vessel has taught us that it is not safe to assume the risk.

I may add that nearly every year we transport to Alaska for different bureaus of the Federal Government many tons of supplies, and employees, all free of charge. We are not in the transportation business and do this work gratuitously and as a favor, as the departments have no other means of communication with many of the Government stations.

The fleet of vessels necessary for our business in Alaska and Puget Sound consists of the following:

	Gross tonnage.
5 four-masted barks.....	14, 402
9 ships.....	14, 896
7 barks.....	10, 972
1 barkentine.....	1, 287
3 three-masted schooners.....	1, 009
7 seagoing steamers.....	2, 533
33 steam fishing tugs.....	1, 487
21 power fishing boats.....	279
1 power fire boat.....	21
87 Total	46, 886

The CHAIRMAN. What do you mean by gross tons, Captain?

Mr. MOSER. There are two tonnages, Senator, which the Government requires of all vessels. One takes in approximately all the spaces that are under cover on the ship. That is, the cubical contents, in feet, is computed, and 100 cubic feet are taken for a ton gross. From that gross tonnage certain portions are deducted, which makes the net tonnage; that is, parts of the ships which are used for quarters for officers and men, galleys and storerooms where ships' stores are kept, engine and boiler rooms, also the part of a sailing vessel where the donkey engine is located. These spaces are measured and taken from the gross tonnage, and that makes what is called the net tonnage.

The CHAIRMAN. So that your gross tonnage includes all that?

Mr. MOSER. It takes in the full space.

At different times, Senator, you have asked for information, which I have on one sheet here. The capital of the company January 1, 1912, is \$5,750,800; bonds, January 1, 1912, \$1,078,000; total, \$6,828,800.

Then, this table shows the permanent investment in round figures, which is made up of the following: Properties in the States of California and Washington, \$1,000,000; Alaska canneries, \$3,100,000; Alaska fleet, \$1,350,000; Alaska hatcheries, \$300,000; total, \$5,750,000.

The CHAIRMAN. Taking out the investment in properties in the States of California and Washington and the fleet would leave your investment in Alaska \$3,400,000?

Mr. MOSER. Yes, sir; besides that is our fleet, with a value of \$1,350,000.

Mr. BROWNE. That would make \$4,750,000 in Alaska.

Mr. MOSER. Included in the fleet are only sea-going sailing vessels and all vessels propelled by power, but no scows, lighters, pile drivers, boats, and so forth. However, I will not read all the details of this statement.

The CHAIRMAN. You may put that statement into the record.

Mr. MOSER. I have also added a note—

The above company's expenditures in Alaska exceed \$250,000 a year.

The CHAIRMAN. That is, that \$250,000 expenditure in Alaska per year is for what?

Mr. MOSER. That is for labor.

The CHAIRMAN. That is Alaska labor for which you pay in Alaska \$250,000 per year?

Mr. MOSER. We have, for instance, here a statement of our labor account in Alaska. Take this last year, 1911, for instance; we paid to white people in Alaska \$102,121.24 and to natives in Alaska \$67,481.97. Then we buy shooks. We bought this year probably shooks for 250,000 cases.

The CHAIRMAN. What do you mean by shooks?

Mr. MOSER. Boxes.

The CHAIRMAN. Boxes made in Alaska?

Mr. MOSER. Yes, sir; made in Alaska.

Then in southeast Alaska we buy from the stores a number of different things.

The table follows:

Capital, Jan. 1, 1912	\$5, 750, 800
Bonds, Jan. 1, 1912	1, 078, 000
Total	6, 828, 800

Permanent investment, in round figures:

Properties in the States of California and Washington	1, 000, 000
Alaska canneries	3, 100, 000
Alaska fleet	1, 350, 000
Alaska hatcheries	300, 000

Total	5, 750, 000
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Included in the fleet are only seagoing sailing vessels and all vessels propelled by power, but no scows, lighters, pile drivers, boats, etc.

Labor account, 1909, 1910, and 1911, for Alaska pack.

Year.	Paid in San Francisco.		Paid in Alaska.		Total.
	White.	Oriental.	White.	Native.	
1909	\$747,417.78	\$586,932.56	\$95,927.04	\$47,071.00	\$1,477,348.38
1910	707,227.98	580,423.13	90,496.47	54,273.75	1,432,421.33
1911	740,650.13	655,406.60	102,121.24	67,481.97	1,565,659.94

Expenditures, receipts, and net profit, 1909, 1910, and 1911, for Alaska pack.

Year.	Cases packed.	Expenditures. ¹	Receipts.	Net profit.	Profit per case.
1909	1,079,103	\$3,864,384.14	\$4,357,379.37	\$492,995.23	Cents. 45½
1910	915,263	3,718,224.24	4,172,234.69	454,010.45	49½
1911	863,739	4,217,587.94	4,619,382.65	401,794.71	46½

¹ These expenditures include all labor and material, fuel, fishing gear, supplies, provisions, charter, insurance, taxes, overhead expenses, and all charges and expenses in making the pack in Alaska.

The above company's expenditures in Alaska exceed \$250,000 a year.

Mr. MOSER (continuing). I have also a table here in which I have the total amount of taxes paid by the Alaska Packers' Association from 1906 to 1911, both inclusive, including the Alaska occupation tax and hatchery rebate on account of operating private hatcheries by the act of 1906. I say that table covers six years—1906 to 1911.

The CHAIRMAN. Does that table show what might be termed the Alaska tax?

Mr. MOSER. I have that separate there; it is entirely separate.

The CHAIRMAN. All right; just hand it to the stenographer and it will be printed in the record.

The table follows:

Total amount of taxes of Alaska Packers' Association from 1906 to 1911, both inclusive, including Alaska occupation tax and hatchery rebate on account of operating private hatcheries, by act of 1906.

Years.	California.		State of Wash- ington, all.	Federal corpo- ration.	Alaska occupa- tion.	Total.	Alaska occupa- tion.	Amount of rebate for fry liberated.	Cash for Alaska fund.
	Vessels.	Other.							
1906.....	\$5,600.00	\$7,300.00	\$6,500.00		\$40,346.10	\$59,746.10	\$40,346.10	\$37,014.16	\$3,331.94
1907.....	5,600.00	5,000.00	7,000.00		40,291.66	57,891.66	40,291.66	39,916.00	375.66
1908.....	5,350.00	3,000.00	5,200.00		45,611.38	59,161.38	45,611.38	35,668.80	9,942.58
1909.....	6,500.00	5,600.00	9,500.00		43,817.82	65,417.82	43,817.82	23,956.00	19,861.82
1910.....	7,550.00	6,300.00	5,300.00	\$6,550.00	37,018.82	62,718.82	37,018.82	30,640.00	6,378.82
1911.....	9,200.00	10,300.00	8,200.00	4,800.00	34,758.26	67,258.26	34,758.26	32,606.00	2,152.26
Total.....	39,800.00	37,500.00	41,700.00	11,350.00	241,844.04	372,194.04	241,844.04	199,800.96	42,043.08
Average..	6,633.00	6,250.00	6,950.00	5,675.00	40,307.34	62,032.34	40,307.34	33,300.16	7,007.18

Some of the figures in these columns are given in round numbers, as they were received by wire.
NOTE.—The average occupation tax paid by the Alaska Packers' Association into the Alaska fund from 1899 to 1906 was, in round numbers, \$40,000 per year. None of this tax was expended for the improvement of the Alaska fisheries, but all was used for internal improvements which in no way benefited the fisheries.
The average occupation tax on Alaska salmon produced by the Alaska Packers' Association from 1906 to 1911, both inclusive, was, in round numbers, \$40,000 per year, of which amount \$33,000 was expended for the benefit of the fisheries by a rebate of that amount for fry liberated from their private hatcheries under the act of 1906, and \$7,000 was paid into the Alaska fund for the improvements of interior Alaska.

Alaska Packers' Association, Alaska occupation tax, and hatchery rebate on account of operating private hatcheries under the act of 1906 (1906–1911).

Year.	Alaska pack.	Tax, at 4 cents per case.	Salt sal- mon.	Tax, at 10 cents per barrel.	Total occupation tax.	Amount of rebate for fry liber- ated at 40 cents per thousand.	Cash for Alaska fund.
	<i>Cases.</i>		<i>Bbls.</i>				
1906.....	1,003,640	\$40,145.60	2,005	\$200.50	\$40,346.10	\$37,014.16	\$3,331.94
1907.....	997,814	39,912.56	3,791	379.10	40,291.66	39,916.00	375.66
1908.....	1,116,947	44,677.88	9,335	933.50	45,611.38	35,668.80	9,942.58
1909.....	1,079,103	43,164.12	6,537	653.70	43,817.82	23,956.00	19,861.82
1910.....	915,263	36,610.52	4,083	408.30	37,018.82	30,640.00	6,378.82
1911.....	863,739	34,549.56	2,087	208.70	34,758.26	32,606.00	2,152.26
Total.....	5,976,506	239,060.24	27,838	2,783.80	241,844.04	199,800.96	42,043.08
Average, 6 years.....	996,084	39,843.37	4,639.7	463.97	40,307.34	33,300.16	7,007.18

REMARKS.—It will be noticed that the average occupation tax on Alaska salmon products for the Alaska Packers' Association from 1906 to 1911, both inclusive, was in round numbers \$40,000 per year, of which amount \$33,000 was expended for the benefit of the fisheries by a rebate of that amount for fry liberated from their private hatcheries, under the act of 1906, and \$7,000, was paid into the Alaska fund for the improvement of interior Alaska.

The CHAIRMAN. Now, Dr. Evermann, have you anything else you wish to say on the salmon matter?

Dr. EVERMANN. No, sir; I have nothing else.

The CHAIRMAN. Have you, Mr. Dorr?

Mr. DORR. I think not at this time, Senator.

The CHAIRMAN. Then, Mr. Browne, I think we are ready for you to speak on the herring proposition.

Mr. BROWNE. We began with the herring and we will wind up with the herring. I will not detain you long, Senator.

**STATEMENT OF MR. ALDIS B. BROWNE, REPRESENTING THE
ALASKA OIL & GUANO CO.**

Mr. BROWNE. Mr. Chairman, I would like to submit a statement which has been prepared and sent on by Mr. Carl Spuhn, president of the Alaska Oil & Guano Co. It is not very long and I would like to read it. It is accompanied with a statement of figures which you called for.

The CHAIRMAN. That will be all right. You may proceed.

Mr. BROWNE (reading):

STATEMENT OF MR. CARL SPUHN, PRESIDENT ALASKA OIL & GUANO CO.

PORTLAND, OREG., *May 1, 1912.*

Supplementing the statements made by Mr. Zera Snow, one of the directors of this company, to the committee, touching the herring industry in Alaskan waters, I desire to say:

I have been in the Alaskan country, in behalf of myself and associates, exploiting the commercial and fishing industries of Alaska, for approximately 30 years last past, and since the year 1889 my business has been confined to the exploitation of the herring-fishing industry in behalf of the Alaska Oil & Guano Co., of which company I am president, and, presumably at least, and in the absence of specific scientific data on the question of the herring, its habits, where it may be found, and the possibility of preserving the herring, either by pickling or dry salting, as a food fish, and the market for such product, I may presumably be qualified to speak.

The plant of my company is located at Killisnoo, on Admiralty Island, approximately 200 miles from Ketchikan. The nearest settlements of any consequence in the vicinity are Juneau, on the north, approximately 100 miles from us, and Sitka on the southwest, approximately 60 miles. The fishing industry of my company is carried on within a radius of from 40 to 50 miles north and south from Killisnoo and embraces the waters surrounding Admiralty Island. The Alaskan waters in and about Ketchikan, Wrangell, Juneau, Skagway, and Sitka, in what is called southeastern Alaska, are not invaded by our fishing operations, and from the very necessity of the case the radius within which fishing operations can be carried on by my company is necessarily limited. No institution can, with any degree of success, extend its operations very much beyond the radius of our work, because the time spent in traveling to and from the fishing grounds and getting the product back to the plant for successful treatment necessarily limits the radius of all fishing operations, so that it should be assumed—and such is the fact—that at no time can or will our company extend its fishing operations much beyond the radius herein indicated. I attach hereto a map of Alaska and the region of territory surrounding Admiralty Island, and marked in red is the practical limit of the possible fishing operations of this company. The yellow spots on the map circled in blue indicate the approximate location of the canneries in southeastern Alaska as they existed in 1910, though since that time a number of additional canneries have been located in that Territory.

The printed statement filed with the committee by Mr. Snow was prepared by me in answer to a former bill pending before a former Congress, and the statements of fact therein contained I now reiterate, both in respect to the volume of our business done, the radius of our fishing operations, and the natural limits imposed upon such operations by the conditions under which the business has to be done, and the possibility of using the herring as a practical food fish.

Our company has an authorized capitalization of \$75,000. Prior to the year 1902 we had issued only \$63,000, and in that year, our fishing having been theretofore carried on at comparatively little profit, the remaining unsold stock of the company was issued and placed in San Francisco and Portland and with the proceeds of the sales of this stock, which was negotiated at par, a new steamer was purchased, and the remaining money utilized in rendering more efficient our plant, and since the year 1902 our authorized and issued capital stock has amounted to \$75,000.

The business has been and of necessity will continue to be carried on at an expense disproportionate to the yearly returns of the company. This results from the fact that southeastern Alaska is sparsely populated and from the fact that all of the supplies for our industry or that of any fishing industry of Alaska, including the labor supply, have to be shipped into that territory from outside points, such as Puget Sound or Portland or other Pacific coast point regions. Our own company, for instance, annually not only buys its entire supplies for the operations of any year either in San Francisco, Portland, or Puget Sound points, but annually we are forced to ship into the country the skilled labor necessary to carry on our operations. The native Indian in our own immediate territory is utilized as far as possible, but that source of labor supply is diminishing each year. Approximately we pay out in wages and expense of transportation to and from the scene of our operations annually the sum of about \$40,000, of which amount approximately \$10,000 is paid for Indian labor, the balance being paid out for labor imported into the country to carry on our operations. In former years a larger amount of Indian labor was obtainable and utilized, but gradually the Indian supply of labor has been growing less.

The CHAIRMAN. Do you know why that labor is diminishing there?

Mr. BROWNE. He does not state the reasons.

The CHAIRMAN. Then you do not know.

Mr. BROWNE. No. [Continuing reading:]

THE HERRING AS A FOOD FISH.

✓ In the pamphlet lodged with the committee I have stated, and I repeat without fear of successful contradiction, that under present known methods of treatment the herring is not a practical food fish. Its value as an edible fish depends largely on the season at which it is caught. Thus, for instance, the larger sized herring, if caught at certain seasons of the year, and if it could be dry salted or pickled, might prove with an accessible market, a valuable food product; if, however, caught at other seasons of the year it is tasteless and without value as a food product, except possibly in Asiatic ports. For instance, the season at which the fish, if it could be cured, reaches its highest point of development is the summer season, when it is fat, while the season at which its lowest ebb is found, and when it ceases to be attractive as a food fish, is the late fall and winter. I understand that in Ketchikan the Japanese fishermen have been engaged in catching and dry salting the herring for the Japanese market. It should be noticed, however, that this work of dry salting the fish is carried on in fall and winter, and while the product thus produced may be acceptable to the Asiatic taste, the product produced could never be handled successfully in our own markets. The fish is then devoid of fat and salting such fish is like salting so much hay; it is absolutely useless in the American market as a food product.

In the pamphlet filed with the committee I have stated that the food upon which the herring feeds makes it impossible from a practical standpoint to cure the fish as an edible product, and I beg to repeat the statement made in that pamphlet, that during the summer fishing season in Alaskan waters but 2 per cent at most of given catch can be so utilized. It may be asked how it can be determined what fish so caught can be cured, and in answer to this I beg to state that no assurance can positively be given as to that question. Take my own experience, for example, when a given catch comes in with my boats samples of the fish are taken and by gentle pressure along the belly it can be told whether or not the fish has anything in its stomach making the pickling of the fish impossible, because there is ejected by this pressure the red food upon which it feeds which indicates that the fish can not be so utilized. In my own experience I have repeatedly put down herring and before shipment time arrives

have found that the herring had spoiled, and I may say that in all Alaska not a single individual has as yet succeeded in solving the problem of how the fish caught at the proper season can be put up as an edible product. I have repeatedly made efforts myself and know of many other cases where like efforts have been made by others, but without success.

Aside from the fact that the fish must be cured as a whole to be marketable, to knife the fish and extract the noxious food is a practical impossibility and entails an expense that the product would not bear; besides much, if not all, the valuable fat of a fish would be extracted in drawing its entrails. I submit also that to knife a 6 to 8 inch herring, which is the usual size that the fish run, in an effort to extract its noxious food would render the product unmarketable.

Dr. Evermann, of the Bureau of Fisheries, has stated, I understand, that in his opinion the fish could probably be cured if the curing process was entered upon from 8 to 10 hours after being caught. This statement, however, is purely theoretical and is not borne out either by my experience or the experience of anyone else who has attempted to cure the fish. The fish must first be bled under any circumstances before it can be cured; this bleeding process consists of a slit in the throat of the fish for bleeding purposes and does not result in extracting the noxious food. I respectfully submit that so long as the noxious food is in the fish it can not be pickled as a whole.

It must be remembered also that the market for any salt fish from Alaskan waters is the foreign market—that is, the market outside of Alaska—and immediately the Alaskan product is brought in competition with other salt fish. Approximately, I should say, that take the entire Pacific coast as a market and it would not absorb more than approximately 2,500 barrels, and to market in the East is an impossibility by reason of freight charges and the competition met by the Scotland, Holland, and Norway product and the local catch. The Alaskan herring likewise is a small fish, running usually from 6 to 8 inches in length; the maximum size of the fish which I catch is from 10 to 12 inches in length, but the usual size is from 6 to 7 inches; the fish is a migratory fish and travels in schools, and very seldom do we find the larger fish—the 10 or 12 inch size—running with the smaller—the 6 and 7 inch size. The schools are all either large or small fish and mostly, as stated, of the small size. If pickling of this fish were possible, the small size of the fish strongly militates against its marketable quality. While my own experience is confined to the waters of southeastern Alaska, I am credibly informed that the herring is found along the entire seacoast of Alaska, from Dixon Entrance on the south to Bering Strait on the north—approximately a distance of 3,000 miles. The herring catch, however, for any purpose is confined entirely to the waters of southeastern Alaska, and while the herring may possibly be of larger size elsewhere, its size in the waters of southeastern Alaska is as herein stated.

I understand the committee has asked for a financial statement of the past few years of our fishing operations. I submit herewith such a financial statement for the period of 11 years—1900 to 1911—which is marked "Exhibit A."

Referring to this statement it will be noticed that the only cash dividends which have been paid by this company during the 22 years of its organization are \$23,250, \$15,000 of which was paid from the 1911 catch. While the plant in the year 1900 had a book value of \$61,982.07, it now stands, after making additions and writing off depreciation, at \$58,479.60.

The betterment and surplus accounts shown on the statement, which aggregate \$69,594.05, has been largely used for making additions to the plant shown in Exhibit A as amounting to \$45,666.34. We have now in operation two steamers, one of which will shortly go out of commission, and it is the intention of the company, so soon as it shall be determined what the policy of the legislation of Congress is to be, to expend moneys in the purchase of a new steamer to take the place of the one which must shortly go out of commission.

During the year 1910, and before any agitation upon the question of the herring fishery, there was expended by our company in the erection of an improved plant for the drying of our fish the sum of about \$11,000, which resulted in a very great saving over that expended in former years in the preparation of our product for market, and since the year 1910 this company has made some money from which dividends could be declared.

It will be noticed by examination of the statement that the greatest profit was for the catch of 1911; during this year the run of herring was phenomenal and our catch exceedingly large. For our guano we received \$37.50 per ton f. o. b. at the Kilisnoo plant, and for our oil 30 cents per gallon, delivered in San Francisco, as against the previous year of 1910, of about \$31 per ton for guano and 26 cents per gallon for oil. Our product is always sold, as a rule, in

advance of production, and the 1911 products were sold under contract early in the year 1911 and before the season's operation was opened. As a result, we declared two dividends for the 1911 catch of 10 per cent each on the capital stock of the company, aggregating the sum of \$15,000, leaving a surplus as a working fund for the coming season's operation. Up to the present time we have been compelled to borrow money to carry on our operations each year, the result of the season's work, however, leaving us with money sufficient to take care of our expenses of operation, including the borrowing of money, and with a small surplus, insufficient in amount, however, to justify dividends. If we could be assured in the future of the same run of fish which we had for the year 1911, and could be assured of the same market, we could undoubtedly within a comparatively short period make sufficient money to yield a legitimate return for our investment. In 1911 all our fish were caught within a comparatively small radius in and about our plant; we seldom had to go to the extreme limits of our fishing radius. In former years, however, our boats, traveling at approximately the rate of 6 miles per hour, have had to go to the extreme limit of our fishing radius to pick up the herring run, and, of course, the time and fuel consumed in making these long trips is an important factor in determining the question of profit or loss.

I respectfully submit to the committee that the use of the herring as a guano and oil producer is a legitimate and natural use of the herring of Alaskan waters, and that no legislation ought to be now enacted interfering with such use. In the pamphlet which I filed it was suggested by me that if in the wisdom of the Congress of the United States it should be determined that this use ought to be interdicted, then some reasonable time should be given my company in which to retire from business, because it must be borne in mind that whenever a law shall go into effect forbidding the use of the herring for oil and fertilizer purposes the plant of my company must go to the scrap heap. I suggested in the pamphlet filed that we be given from 15 to 20 years in the event that the policy of legislation forbidding the use of the herring as an oil and guano producer should be entered upon, but if the committee would concede in its report upon any such bill a 10-year period from the passage of the bill, I and my associates comprising the company will undertake to recoup during this period for the many lean years of the past and go out of business at the expiration of the period, though I think it is now entirely premature to enter upon any legislation of the character proposed by the present bill.

Then Mr. Spuhn incloses with this statement a long letter, dated March 14, 1912, written to the Bureau of Fisheries, setting forth in concret some of the facts which he has given here, together with the reply of the Commissioner of Fisheries dated April 3, 1912. I will not read both letters, but I will ask that they be printed in the record. I only desire to note in connection with the reply of Commissioner Bowers his frank concession, which is as follows:

It is noted that your company is willing to assent to a law which will permit your establishment to continue its operations for such length of time only as will enable it to secure some reasonable return for these investments. This view is entirely in consonance with the opinion of the department.

The letters are as follows:

MARCH 14, 1912.

To the BUREAU OF FISHERIES,

Department of Labor and Commerce, Washington, D. C.

GENTLEMEN: Dr. Evermann and Mr. Marsh of the bureau will remember my visit to Washington in February, 1911, at which time I presented to the bureau for its consideration a pamphlet touching the subject of the herring fish industry in Alaska, and the uses to which the herring was put by my company, namely, as a fresh bait supply for the halibut industry, and in cooking for the manufacture of oil and guano. I understood as the result of my interviews with the bureau that if it should be concluded that the use of the herring for fertilizing purposes should be ultimately suppressed by law, opportunity would be given my company to recoup for the many lean years which the company had experienced in the early history of its exploitation of this industry, and that at least 10 years should be given for this purpose.

I have recently been advised that the subject of the regulation of Alaskan fisheries is again under consideration by your bureau, and that probably a

bill will be sent to Congress, as coming from you, on the subject, and, among other things, that this proposed bill should contain a clause forbidding the use of herring or any food fish, save the offal and refuse, in the manufacture of fertilizer and fish oil, and that the bureau is about to recommend the insertion in such bill of a period of two years or thereabouts after which time the use of any food fish for the manufacture of fertilizer or fish oil shall be prohibited. In view of my general conference with the bureau when in Washington, I can not think it possible that such proposed limitation is to be made. Permit me to say:

Our company is organized with a cash capital of \$75,000, and there is invested in the plant approximately \$100,000. We have been organized since the year 1889, but up to the year 1909 not a single dollar of dividend has ever been paid to the stockholders of our company. In the year 1909 a 4 per cent dividend was declared; in 1910 a 6 per cent dividend, and for the year 1911 a 10 per cent dividend—making in all 20 per cent paid to the stockholders. While there has been some little profit for a year or two prior to the year 1909, that profit has been put back into the business in the way of improvements, betterments, and the like; and I beg to submit that any period short of a 10-year period would be unfair to the industry I represent and to the company and stockholders of which I am president. The opening of the Panama Canal in 1915 may possibly enlarge the demand for the products of our company, but until that time I am restricted entirely to the Pacific coast demand for either fish or guano.

I am very strongly of the opinion that until improved methods may be devised for the utilization of the herring as a food product, the printed statement which I lodged with your bureau in behalf of the Alaska Oil & Guano Co. will stand unchallenged; namely, that approximately out of a total herring catch for a given season, 20 per cent at most only can ever be successfully utilized as a food product; and, inasmuch as the guano produced from the herring is in itself a valuable food-producing product, the manufacture of that fish into fertilizer should not be prohibited.

I quite realize what the bureau is subject to from time to time each year by way of demands for the conservation of the herring as a food fish, and yet I can not help but believe that these demands are made by people unfamiliar with the habits of the herring and its adaptability as a food fish. I respectfully submit that the popular clamor from those interested in decrying the use of the fish as a fertilizer ought not to be listened to. However, I suppose the problem must be solved at some time, and rather than be met each year with this clamor and the expense of efforts to counteract its influence, I and my company would prefer to see some measure enacted looking to the ultimate prohibition by law of the use of the herring or any food fish of Alaskan waters, for the manufacture of fertilizer or fish oil, provided that some reasonable time may be given to recoup from the losses of past years. If, therefore, your department think it wise to encourage some such measure, then I have to say that if an agreement can be reached whereby those engaged in the present fish and guano industry may have a period, say, of 10 years to continue their business, after which time the business shall be discontinued, I shall be satisfied to cooperate with the department and secure some such measure.

The effort to incorporate such a measure with some general bill touching the regulation and taxation of the fishing industry of Alaska, must always stand or fall by the possibility of success of such measure; and I would think it much better to provide by a short bill, directed entirely at the herring industry, making it unlawful, after a given time in the future, to utilize any part of the herring or any food fish in the manufacture of fertilizer or fish oil, say substantially as recommended by the Secretary of Commerce and Labor in his letter to the chairman of the Committee on Territories of May 25, 1910.

I would thank the department for reply to this letter and for advices whether or not the department has under consideration a bill upon the question, the passage of which is to be recommended to Congress; and if so, I would be obliged for a copy of this measure and for advices as to whether it will not be best to provide touching the herring industry by special bill of itself, unencumbered by any of the measures affecting the salmon industry in Alaska. And if the latter measure is wise, as I think it is, I should be glad to send my representative to Washington, prepared to map out some such measure which should be alike just to the views of those who are opposed to the use of the herring as a fertilizing product and to the industries now engaged in such use.

I am, very respectfully, yours,

CARL SPUHN, *President.*

WASHINGTON CITY, April 3, 1912.

ALASKA OIL & GUANO Co.,
602 Concord Building, Portland, Oreg.

GENTLEMEN: The receipt of your letter of March 14 regarding proposed legisla-
tion affecting the Alaska herring fishery is acknowledged.

It is noted that your company is willing to assent to a law which will permit
your establishment to continue its operations for such length of time only as
will enable it to secure some reasonable return for the investment. This view
is entirely in consonance with the opinions of the department. While it is be-
lieved that a time must come when use as fertilizer of any fish suitable for food
would be contrary to the best public policy, it is not held that this time has yet
arrived. The growing importance of the herring as a means in the capture of
halibut and salmon, as well as its value in the support of the salmon through
its consumption as a food for this fish, are arguments against its use for
fertilizer. There is in the bills now before Congress a clause setting 1914 as
the date for discontinuance of this use, but it is not the intention of the depart-
ment to maintain that date as the desirable one. It may be that a somewhat
longer period should be allowed.

In any event, it is important that ample opportunity should be given all in-
terests to be heard before any legislation is enacted.

Respectfully, GEO. M. BOWERS.

Any further information I can furnish to the committee will be at once sub-
mitted.

CARL SPUHN,
President Alaska Oil & Guano Co.

Attached to this statement is a table of figures which you called for
from Mr. Zera Snow when he appeared before the committee.

The CHAIRMAN. That will be put into the record.
The table follows:

Statement of the Alaska Oil & Guano Co. for the years 1900 to 1911.

Year.	Fish.	Oil.	Guano.	Bait and salt herring.	Gross re- ceipts.	Expenses.
	<i>Barrels.¹</i>	<i>Gallons.</i>	<i>Tons.</i>	<i>Barrels.¹</i>		
1911.....	75,260	343,000	1,760	530	\$150,972.60	\$102,965.82
1910.....	58,900	275,000	1,250	130	101,693.30	79,719.88
1909.....	55,800	230,500	1,155	510	88,705.24	74,135.45
1908.....	45,250	136,500	935	500	66,775.25	60,527.96
1907.....	29,680	95,000	600	648	52,247.54	47,305.09
1906.....	52,000	131,500	1,010	485	63,141.34	63,141.34
1905.....	63,000	170,500	1,305	187	78,600.30	82,621.80
1904.....	76,005	152,500	1,610	82	85,877.44	75,308.75
1903.....	66,445	146,250	1,310	580	81,761.88	71,372.56
1902.....	41,480	117,250	810	487	60,340.02	63,324.41
1901.....	63,000	202,800	1,255	194	79,668.63	66,486.91
1900.....	60,070	170,450	1,180	200	70,169.42	58,036.02
					979,952.96	844,945.99

Year.	Gross profits.	Losses.	Dividends.	Deprecia- tion of plant.	Better- ment and surplus ac- count.	Addition to plant.
1911.....	\$48,006.78	.....	\$15,000.00	\$9,816.96	\$23,189.82	\$2,850.00
1910.....	21,973.42	.....	4,500.00	11,544.60	5,928.82	11,544.60
1909.....	14,569.79	.....	3,750.00	3,444.55	7,375.24	.....
1908.....	6,247.29	.....	.....	3,625.34	2,621.95	.....
1907.....	4,942.45	.....	.....	3,874.57	1,067.88	.....
1906.....	.....	.....	.....	.....	.....	2,899.50
1905.....	.....	\$4,021.50	.....	.....	.....	.....
1904.....	10,568.69	.....	.....	3,867.97	6,700.72	11,462.34
1903.....	10,389.32	.....	.....	3,468.27	6,921.05	.....
1902.....	.....	2,984.39	.....	.....	.....	9,567.50
1901.....	13,181.72	.....	.....	4,848.47	8,333.25	6,950.00
1900.....	12,133.40	.....	.....	4,678.08	7,455.32	392.40
	142,012.86	7,005.89	23,250.00	49,168.81	69,594.05	45,666.34

¹ 200 pounds.

SUMMARY.

Capital.....	\$75,000.00
Total gross profits, 11 years, 1900-1911.....	142,012.86
Less losses.....	7,005.89
Gross profits.....	135,006.97
Paid dividends in 22 years, 1889-1911.....	23,250.00
Surplus account, 11 years, 1900-1911.....	69,594.05
Depreciation of plant, 11 years, 1900-1911.....	49,168.81
	142,012.86
Killisnoo plant, Apr. 6, 1900.....	61,982.07
Addition to plant in 11 years.....	45,666.34
Total.....	107,648.41
Depreciation of plant in 11 years.....	49,168.81
Killisnoo plant, Mar. 1, 1912.....	58,479.60
Surplus and betterment account as shown in the above statement.....	69,594.05
Less additions to plant shown in the above statement.....	45,666.34
Net surplus in 11 years.....	23,927.71

The CHAIRMAN. I notice in the statement of Mr. Spuhn which you read, Mr. Browne, he speaks of the purchase of a new vessel. Do you know what that new vessel cost?

Mr. BROWNE. I do not. I think that appears in Mr. Snow's statement, but I am not able to turn to the exact page at this time.

The CHAIRMAN. Well, if it is in his statement the information is available for the committee. However, we did not put all of that statement into the record. Mr. Snow was to take out such parts of it as he thought should not go into the record.

Mr. BROWNE. I think he said ten or fifteen thousand dollars, but I can not put my finger instantly on that statement.

Now, I would like to put into the record some other matters which seemed to me to be helpful. In the Daily Consular and Trade Report of date April 9, 1912, there is a very interesting report from the consul at Stavanger, Norway, headed "Norwegian herring, flour, and oil industry." Stated in the concrete, it comes to this: That the use of herring in the manufacture of Norway flour and oil is on the increase in Norway. The articles gives the uses to which herring flour is put. Of course, that is only another name for fertilizer, and it includes, as I note here, its use as a food for cattle. It gives the selling price of this commodity, states the fact that the industry is on the increase, and that more additional plants are being put in. I would like to put that into the record.

The CHAIRMAN. That will be put into the record.

The article follows:

NORWEGIAN HERRING FLOUR AND OIL INDUSTRY.

[From Consul P. Emerson Taylor, Stavanger.]

There is increasing interest in manufacturing herring flour and herring oil, not only within this district, but in the northern part of the Kingdom.

The herring flour and oil factories in the district are all doing a prosperous business and increasing their output each year to meet a demand that has thus far been much beyond their capacity. While the manufacture of herring flour and herring oil is profitable in the district, it is believed by those best informed that it can be made a much more profitable industry in the extreme northern part of Norway.

EXTENSIVE USES FOR THE OIL AND MEAL.

Herring oil is being used more and more instead of linseed oil for paints, and the foreign demand for it is steadily increasing and is far beyond the supply.

Herring flour and meal are used in Norway chiefly for cattle feed, while that exported to Germany is used as feed for both cattle and hogs. That which is exported to the United States, it is believed, is all used as fertilizer. Considerable quantities of the herring flour are also exported from this district to France, England, and Japan.

The herring flour is manufactured from the fish after the oil has been extracted and pressed out, so that the cost of the raw material is very low. Two new herring-flour factories are being completed at Haugesund, in this district, which is a large shipping port for kippered herring and all herring in oil or tomato.

The great advantage and economy in establishing herring flour and oil factories near the fishing waters are due to several conditions. Herring are caught during only a few months of the year, and during these months there is often a surplus quantity which the canning factories can not use. The export market for fresh herring at such times is also overstocked, and large quantities of the fish can not be sold after being transported to southern Norway and even to England and Germany. The establishment of herring flour and oil factories in the northern fjords where the fish are caught would effect a great economy in saving the transportation charges, as well as utilizing the surplus product.

AMPLE POWER—NORWEGIAN VIEWPOINT.

Then the presence of cheap and almost unlimited water power in the immediate vicinity of the herring-fishing waters is another important consideration in the establishing of herring flour and oil factories in the northern fjords rather than in the cities where power transmitted long distances is much more expensive.

One of the men interested in the establishment of these herring flour and oil factories is quoted by the *Christiania Intelligensen*, of that city, as follows:

"A number of requests have come to me to work for the establishment of herring flour and oil factories in Finmarken. There are a hundred small fjords in Finmarken and northern Norway with good post and steamship landings and facilities, good herring-fishing waters, and business men interested in the fishing industry. Many of these places seem to have been made for the woolen industry and the fish-canning factory, but more especially still for herring-flour factories. There are waterfalls at almost every man's door, and the finest herring-fishing waters in the fjords with much greater quantities of herring than can be used at present.

"There are already quite a few small herring-flour factories established, but even if there were 30 or 40 times as many as at present there would be no overproduction of herring flour. Conditions here in southern Norway and in some parts of northern Norway are such that herring flour can hardly be obtained at any price. It has been practically all exported to other countries at steadily advancing prices.

"A small herring-flour factory will use about 100 maal (150 liters each) of herring per day, and from this will manufacture about 30 sacks (220 pounds each) of flour and 7 barrels (396 pounds each) of oil. Of course the herring flour can only be made during the herring season and while the herring lasts. The eastern, southern, and northern parts of Norway should combine and build herring-flour factories in northern Norway. In this way they could supply the strong demand for herring flour. My experience is that herring flour is the most nourishing stock food there is. The herring market could then be better regulated. It now often happens that Norwegian herring when poor are returned from Germany unsold. And the exports of fresh Norwegian herring to England are often so large and the market so overstocked that large quantities of the fish are simply thrown overboard into the sea. The establishment of more herring factories for the manufacture of flour and oil would prevent such conditions."

OUTPUT AND PRICES.

There are three herring flour and oil factories in Stavanøer and two in Haugesund. The largest factory in this city last year reports a production of a little more than 20,000 sacks (220 pounds each) of herring flour and about 5,000 barrels (396 pounds each) of herring oil. The three factories in this city have a combined output of about 40,000 sacks (220 pounds each) of herring flour and about 10,000 barrels (396 pounds each) of herring oil per year. The

two Haugesund factories have an annual output of from 18,000 to 20,000 sacks of herring flour and from 4,000 to 5,000 barrels of herring oil per year.

The Vestlandske herring flour sells in this district for 15 crowns (\$4.02) per sack of 220 pounds, and the Nordlandske herring flour, considered slightly better in quality, sells for 16 crowns (\$4.28) per sack of 220 pounds. Herring oil sells for 0.27 crown (\$0.073) per kilo (2.2 pounds).

Mr. BROWNE. Then in the daily Consular and Trade Report, dated December 9, 1909, there is a statement in figures of the product of herring fertilizer and oil extracts from herring in Japan for the year 1907, which gives the value of herring, herring bone, herring roe, and the total under the name of manure, of \$2,882,063, and for machine oil \$147,484, or a grand total of \$3,029,547.

The CHAIRMAN. That is back in 1909?

Mr. BROWNE. That is 1907. That is a statement of the Japanese herring in its production and the value of the production for manure, as it is put here—the fertilizer and oil.

The table follows:

The Japanese herring is larger than the Canadian, and those Japanese who have eaten both say the former are of better flavor. They are caught in immense quantities in the northern part of these islands. Only a small part of the catch is used for food, most of the fish being made into fertilizer, as shown in the following table, which gives the herring product of Japan in 1907, according to official returns:

Description and uses.	Value.	Description and uses.	Value.
For food:		For manure:	
Fresh.....	\$105,918	Herring.....	\$2,341,118
Dried, boneless.....	336,544	Herring bone.....	531,444
Roe.....	144,809	Herring roe.....	9,501
Smoked.....	990	Total for manure.....	2,882,063
Salted.....	6,242	Machine oil.....	147,484
Total for food.....	594,503	Grand total.....	3,029,547

Mr. BROWNE. Then I would like also to put into the record some extracts from an article written by Dr. Hugh M. Smith, United States Deputy Commissioner of Fisheries, published in the National Geographic Magazine of August, 1909. It is a very full, clear, and strong discussion of the herring as a fish. However, I hardly think it would be of value to the committee to put the whole article in.

The CHAIRMAN. You may put in such parts as you think fair upon the fishery situation in Alaska.

Mr. BROWNE. The article first descants upon the wonderful fecundity of the herring, as follows:

When one takes a bird's-eye view of the fisheries of the world he quickly perceives that there is no family of fishes and no group of aquatic animals that contributes so largely to the support of the human race as the herrings. The family has 200 members, nearly all of which exist in great abundance.

In nearly every country having extensive fisheries some kind of herring is of importance, and in many countries representatives of the family are among the most valuable of the water products. Some of the herrings live exclusively in salt water, some exclusively in fresh water, and some alternately in the sea and streams.

But the herring par excellence is the sea herring of the North Atlantic and the scarcely distinguishable sea herring of the North Pacific. This fish—biologically two species, commercially one species—is the most abundant and most valuable in the world, and is therefore entitled to be called king.

The sea herrings are cold-water fish and reach their greatest abundance in far northern latitudes. The herring of the Atlantic, called *Clupea harengus* by Linnæus, has a remarkably wide distribution. On the western shores of Europe its southern limit is the Strait of Gibraltar, whence it ranges to the White Sea and the Arctic Ocean as far north as Spitzbergen, occurring in enormous numbers in the Bay of Biscay, North Sea, Baltic Sea, and Norwegian Sea. It is thus found on the coasts of Spain, Portugal, France, Belgium, Holland, England, Wales, Scotland, Ireland, Denmark, Germany, Russia, Finland, Sweden, and Norway. With Iceland as an intermediate station, the fish crosses to the shores of Greenland, and extends its range southward and westward to Labrador, Newfoundland, Quebec, New Brunswick, Nova Scotia, and the New England shores, going in winter occasionally to New York and exceptionally as far south as the Virginia capes. The North Pacific herring, first called *Clupea pallasii* by Cuvier and Valenciennes, exists in the same extraordinary abundance as the Atlantic fish and has also a very extensive range, being found from California to Alaska and from Siberia to Korea and Japan.

The chief purpose the herring subserves in nature is to be the food of a host of other creatures, some of which are of great economic value. The most important of the fishes that subsist regularly on herring are the cod, haddock, hake, and pollock, all of which consume immense quantities of herring and herring spawn. Mackerel, albacore, and various other high-sea fishes prey largely on herring at times and numerous species of little or no value to man—like the sharks, dogfishes, sculpins, and flounders—often gorge themselves with herring and their recently deposited eggs.

Among the marine mammalia whales, porpoises, dolphins, and seals prey on the herring and sometimes subsist almost entirely on this fish.

On parts of our northeast coast probably the worst enemy of the young herring is the squid, which frequents the inshore waters in immense numbers and is most adept and insatiable in capturing the unlucky herring both in open waters and in the weirs of the fishermen.

Small fishes, birds, and a perfect host of other minor creatures find a large part of their sustenance in the eggs and young of the herring and in the aggregate are doubtless much more destructive than any of the major enemies mentioned.

As the herring is probably more extensively preyed on than any other fish, and as it is entirely lacking in offensive and defensive powers, it is evident that its perpetuity depends on its abundance and its prolificacy.

The average number of eggs deposited annually by a full-grown herring is 30,000. This is not a particularly large number by comparison with the egg-laying capacity of many other marine food fishes, but it is noteworthy, in view of the small size of the fish and its remarkable abundance. If all the progeny of a single pair of herring were to reach maturity and spawn, and if all of their progeny were to survive and spawn, and if this were to go on for a few generations, the resulting volume of fish would be beyond comprehension. In fact, if such unrestricted multiplication were to continue for a period as short as 10 years all of the seas of the earth would be filled solid with herring, all land would be submerged, and all other creatures in the world would be crowded out of existence.

The herring fishery of the west coast of the United States is of comparatively minor importance, but of great prospective value. The herring abounds, but the demand is limited in the regions of greatest abundance. The largest fishery is at Killisnoo, Alaska, where, in 1908, about 25,000 barrels of herring were converted into oil and guano. The manufacture of these secondary products began many years ago and for a long time was the only use to which the Alaskan herring was put. At other points in southeast and central Alaska the herring is utilized in fresh and salted conditions for human food and for bait in the halibut fisheries. In all the coast States there is a limited herring fishery, the most important interests centering at San Francisco.

The herring fishery of the United States at the present time yields about 130,000,000 pounds annually, for which the fishermen receive \$870,000. Of this quantity about 10,000,000 pounds are obtained in Pacific waters. The manufactured herring products—oils, fertilizers, sardines, etc.—are worth several million dollars.

The abundance of herring on the coasts of British Columbia has been known for many years. A herring fisherman from Yarmouth, England, has expressed the opinion that the herring fishing grounds of the North Sea can not compare with those off the shores of British Columbia, and he reported a remarkable

visitation of herring near Nanaimo recently, when the shore for 2 miles was knee deep with these fish, that had been crowded ashore by millions more while on their way to the spawning grounds. The provincial fishery authorities, who are well aware of the conditions of the herring fishery in England and Scotland, are convinced that the British Columbia herring can be put on the market in such a way as to command the price received for the trans-Atlantic fish, and they see no reason why an industry worth from \$5,000,000 to \$6,000,000 yearly may not be established.

The herring catch of the Canadian Provinces in the fiscal year 1907-8 was about 155,600,000 pounds, of which the first value was \$2,225,000. Taking into consideration the immature fish utilized in the preparation of sardines, considerably more than 1,000,000,000 herring are taken annually in Canada.

JAPAN.

In this country, whose fisheries are comparatively more important than in any other and actually more valuable than in any except the United States and Great Britain, the herring is easily the most valuable product of the waters.

The fish occurs in immense shoals on the northern coasts of Japan, from Sakhalin to the northern parts of Honshu, being particularly abundant and caught in largest quantities in Hokkaido.

The fishery is conducted in spring, and is prosecuted with gill nets, seines, and pound nets. In Hokkaido, where 16,000 fishermen engage in this branch, most of the herring caught are made into guano, owing to the immense quantities caught in a very short time and to the lack of facilities for curing or preserving in any other way. The average quantity of herring marketed in Japan annually of late years has been over 325,000,000 pounds, valued at \$4,250,000, and has occasionally reached 430,000,000 pounds. In the fisheries of Hokkaido about 300,000,000 pounds of herring guano, worth \$3,400,000, are prepared each year.

The acquisition of part of Sakhalin, together with the fishing privileges on the Siberian coasts secured by the treaty of Portsmouth, has greatly increased the fishing grounds and fishery resources of Japan, particularly in cod, salmon, and herring, and the development of the new grounds that is now in progress will add much to the value of the herring fisheries.

From official statistics of all of the principal and most of the minor fishing countries and from careful estimates for all of the remaining countries, it is quite evident that the sea herrings of the north Atlantic and north Pacific Oceans are easily the most important fishes in the world to-day, being taken in greater numbers, constituting a larger food supply, supporting more people, and yielding larger money returns than any other product of the seas.

The world's annual production of herring at the present time is about 2,495,000,000 pounds, having a value of \$36,895,000 at first hands. The value of the herring as placed on the markets, in the form of salted, smoked, and canned fish, oil, and guano, is not less than \$60,000,000.

Many years ago Prof. Huxley estimated that 3,000,000,000 herring were taken annually in the north Atlantic Ocean and its arms. These figures were doubtless ultraconservative, as they were based on an allowance of only two fish to a pound and did not take into consideration the hundreds of millions of pounds of immature and small fish caught in all countries. From an estimate based on the present extent of the fisheries, and on the actual weight of the herring in different countries and industries, varying from less than one-tenth of a pound in the "sardine" fishery of Maine and New Brunswick to nearly a pound in the case of the largest "bloaters" in America and Europe, I have reached the conclusion that the annual destruction of herring by man at the present time exceeds 10,900,000,000 fish, or seven fish to every person in the world.

The question of the perpetuity or maintenance of a species which is caught in such immense quantities has engaged the attention of governments, scientists, publicists, and fishermen for many years. One of the most philosophical minds ever enlisted in the service of fishes and fisheries was that of Thomas H. Huxley, whose well-known investigations of the herring in behalf of the British Government have afforded the best basis for judging of the stability of pelagic fishes like the herring with reference to the possible effects of man's influence thereon. Huxley's researches more than those of any other person have de-

terminated the attitude of governments and fishery authorities toward the important question of legislation for the protection of the free-swimming marine fishes.

Huxley concluded that the entire annual take of herring in Europe does not represent more fish than would be contained in any one of scores of shoals existing at one and the same time. The fact that, with a few peculiar local exceptions, the abundance of herring has remained unimpaired for centuries affords ground for Huxley's recommendation that in the case of the herring, and inferentially of other species of similar habits, the best thing for the governments to do regarding the fisheries therefor is to do nothing, letting the "people fish how they like, as they like, and when they like." The destruction wrought by man is, in fact, insignificant when compared with that which must regularly occur independently of him; and, as an average thing, it is doubtful if human agencies are responsible for more than 5 per cent of the annual losses to which the herring schools are necessarily liable from whales, porpoises, seals, and other mammals; from cod, haddock, mackerel, sharks, and other fishes; from gulls, gannets, and other birds; and from the thousands of other natural enemies that begin to prey on the herring while it is still in the egg and continue their attacks throughout its entire existence.

As Huxley has shown, the basis on which the permanency of the herring schools depends is not so much the preservation of a certain percentage of the fish as the destruction of nearly the entire progeny of each female herring each year. If every mature female herring lays 20,000 eggs, a very conservative estimate, and if the numbers of herring are to remain approximately the same from year to year, then, 19,998 of the progeny of every mature female must be destroyed before they reach the spawning period; for if more than two out of the 20,000 escape destruction and spawn, then more fish will be produced than are necessary for maintaining the schools.

Thus many thousand times the number of herring contained in the schools of a given region must be destroyed each year if the average size or strength of those schools is to remain the same.

Then, further on in the article, is a statement as to the use of herring in the manufacture of oil and fertilizer as well as its use as a food product. It is a very complete article and beautifully illustrated, giving the method of capture, and so on.

The total herring production of the nation annually is given, and at the end is put in some very interesting quotations. One is a statement from Mr. Thomas H. Huxley, who says:

Man, in fact, is but one of a vast cooperative society of herring catchers, and the larger share he takes, the less there is for the rest of the company. If man took none, the other shareholders would have a larger dividend and would thrive and multiply in proportion, but it would come to pretty much the same thing to the herrings.

At the hearing, at which I think Mr. Snow was present, I noticed that Dr. Evermann, with his accustomed frankness, states that there is no data in the possession of the Bureau of Fisheries from which they can determine, as a matter of fact, that this company (Mr. Spuhn's industry) is depleting the supply of fish.

The CHAIRMAN. Yes; I remember the doctor went into that.

Mr. BROWNE. And so it comes to this, Mr. Chairman, that here is an industry entirely praiseworthy and honest when it was undertaken, and is yet. There is no data on which you can determine that the herring caught by these people from the waters of Alaska is in any way depleting the supply.

The CHAIRMAN. You have no information, I suppose, Mr. Browne, other than what we have already received from Mr. Snow. I think he went into this matter. There have, however, been complaints by fishermen in Alaska that this fishery is depleting their supply of bait.

Mr. BROWNE. The only thing I got when Judge Wickersham was speaking was the mere suggestion, I think from Juneau, of the grand jury that fishing for herring for this fertilizer purpose should be abolished, but as the judge read no reason was given at all therein for that recommendation.

I am unable to state it as a fact from my own knowledge and can only state from hearsay, but it has been represented to me that in and around Juneau the débris from the mines and sawmills, and so forth, has polluted the water. That may have something to do with the scarcity of herring in those waters, but the fishing done by this company is 75 or 100 miles away. All that I know of in that regard as to the source of the complaint has been already stated in this record, but it does seem to me on the proof on our side and the lack of proof on the other that these people make a very reasonable request to be allowed to at least continue until they can recoup themselves in the reasonable period of 10 years for which they ask. If this question was determined simply on the question of fact and on the proof, there should be no occasion for that prohibition at all, but I do believe, on the showing that it would take at least 10 years to let them realize on their investment, that it would not be fair to prohibit the use of herring for this purpose before that time. As was stated by Mr. Snow, that certainly would not encourage anybody else to start a herring fertilizer plant in addition to their plant and, through all these years from 1889 these people have been alone in that field. They have not had any monopoly of it because anyone else could have entered that business. Therefore I hope that Dr. Evermann will agree that at least 10 years ought to be given to these people for the purpose of recouping the value of their plant and getting their money back.

The CHAIRMAN. My recollection is that the doctor did not strenuously object to the 10-year period. Is that all, Mr. Browne?

Mr. BROWNE. Yes, sir; I think that is all I care to say.

FURTHER STATEMENT OF DR. BARTON W. EVERMANN.

The CHAIRMAN. Now, Doctor, have you any suggestions in connection with this matter?

Dr. EVERMANN. Mr. Chairman, I would like to say a few words on this herring matter. As I have listened to the argument on the herring question it occurs to me that there is a good deal of erroneous information or a good deal of misinformation regarding the herring, and the question does not seem to be fully understood by any of those who have touched upon it before this committee.

I would like to make just a few statements to make our position clear, and I hope to throw a little light upon the general question.

In order to understand the Pacific coast herring, let me say just a few words regarding the Atlantic herring. The Atlantic herring is a different species from the Pacific coast herring, but a closely related species. They both belong to the same genus and they of course both belong to the same family, the family to which the common shad belongs.

The Atlantic herring is the fish which gives rise to the largest fishery in the world. That species extends all the way from off our New England coast north to Labrador and across to northern Nor-

way and south on the European coast to northern Africa. On both sides of the Atlantic it is the basis of a very large and very extensive fishery, or very extensive fisheries, more important on the coast of Europe than on the coast of America, but still very important here, and these fisheries have been prosecuted vigorously for many years on the coast of Europe and for a great many years on this side.

Mr. Browne quoted from Prof. Huxley. Prof. Huxley did a number of years ago, when he was chairman of the commission appointed by the British Government to investigate the fisheries of Great Britain, give it as his opinion that man can not by any operations that he may engage in seriously deplete any real salt-water species whose spawning grounds are beyond the control or beyond the activities of man. The herring is one of the best instances or illustrations of a species of that kind. It does not come into fresh water to spawn; it does not come into the bays, the estuaries, or sounds, but spawns in salt water, offshore in places where its eggs, so far as man is concerned, are practically secure. They are not immune, however, to the attacks of enemies of various sorts, as is evidenced by the fact that the herring lays a great many eggs. If its eggs were perfectly immune or perfectly safe and were sure to hatch and the young were sure to grow to maturity, the herring would not produce more than two or three eggs. But the dangers are great enough to make it necessary or to have developed the necessity for the herring to lay a large number of eggs annually for a considerable number of years.

The CHAIRMAN. Do you know where the spawning beds are of the Alaska herring?

Dr. EVERMANN. No, sir; I do not know where they are for the Alaska herring. I will touch upon that a little later. With the Atlantic herring on the east coast of North America there are extensive spawning beds or areas for spawning east of the eastern part of Passamaquoddy Bay, up around the island of Anacostia and other islands about the entrance to the Gulf of St. Lawrence, and various other small islands about Passamaquoddy Bay and northward.

The CHAIRMAN. Then, they do spawn in shallow water?

Dr. EVERMANN. They spawn in relatively shallow water, from 3 feet to 30 feet and more.

The CHAIRMAN. Do they bury their eggs?

Dr. EVERMANN. No, sir; their eggs are not buried. They will ordinarily rest more or less definitely upon the bottom, but are subject to movements by the moving of the water more or less.

The Atlantic herring on the coast of our New England States and Nova Scotia and New Brunswick is caught in vast numbers every year, but there are now and then so-called lean years, and alarmists feel that the herring fishery is going to pieces. The relatively small catch may continue for two or more years, and then they appear as abundant as ever. Investigation has shown that there are, so far as we now know, irregular fluctuations in their run in certain places and irregular variations in places of their runs. They have been found to be rare in certain regions for many years and then suddenly discovered in those same regions in great abundance, so that those who are perhaps best informed are of the opinion that if you could go over the whole range of the Atlantic herring on the coast of America and on the coast of Europe that the herring would be found to be approximately uniform in abundance year after year, although

the slight and local fluctuations are of such a character as to work advantage or disadvantage now and then to certain individual companies or fishermen who are engaged in business locally.

The CHAIRMAN. How far to the south along the Atlantic coast are they found?

Dr. EVERMANN. The fisheries do not amount to anything south of the coast of Maine. The great center of the herring fishery in America is at Eastport and Lubec, Me., and elsewhere about Passamaquoddy Bay.

The CHAIRMAN. Are the herring found to the south?

Dr. EVERMANN. Yes. They have been found south as far as the latitude of Delaware Bay.

Mr. BROWNE. Some come up the Potomac River, do they not, Doctor?

Dr. EVERMANN. The herring which come up the Potomac River are of a different species. In fact, they belong to a different genus, more closely related to the shad than the true herring. There are no true herring fisheries of any importance south of the coast of Maine.

The CHAIRMAN. Therefore herring may be classed as a northern-water fish—a cold-water fish?

Dr. EVERMANN. Yes, sir. Not only is that true of the Atlantic herring, but it is true of the Pacific herring.

Now, as to the spawning beds, I have stated regarding the Atlantic herring. No one knows, so far as I am informed, just where the spawning beds of the Pacific herring are. The species is of even wider distribution on the Pacific coast than the Atlantic herring is on the Atlantic. I have seen specimens from San Diego, on the southern coast of California, north to Bering Strait, a distance of many thousand miles. The species is not abundant, however, south of Oregon.

The CHAIRMAN. Is there any herring fishery or cannery south of the Killisnoo plant on the Pacific coast?

Dr. EVERMANN. Herring are caught in limited numbers for bait and for food all the way from California to northern Alaska.

The CHAIRMAN. But there is no other large fertilizer plant on the coast, is there?

Mr. EVERMANN. So far as I know, there is no other fertilizer plant that is utilizing herring.

The CHAIRMAN. And there are no fishermen engaged in the herring fishery extensively, aside from this company?

Dr. EVERMANN. Not very extensively. There are some fertilizer plants on the Sound, but so far as I know they are small, and do not utilize the herring.

Now, in Alaska the great bulk of the herring are caught by Mr. Spuhn's company; but considerable quantities—increasing quantities—are being caught year by year now for other purposes; for smoking and for salting, and more particularly for bait in the halibut fishery. There is every reason to believe that the demand for herring for halibut bait will be an increasing demand.

Now, as to the possibility of the utilization of herring for food. I can not agree with the statement that Mr. Browne read from Mr. Spuhn as to the effect upon herring of the so-called red feed, namely, to render it useless for salting or smoking and for food purposes.

This so-called "red feed" is simply the food which the herring finds most abundant during certain periods of the year. It is not limited to the Pacific coast herring. They have the same kind of food that the Atlantic herring have. Our New England fishermen talk about the "red feed" on the Atlantic just as they do in Alaska. This so-called "red feed" consists of vast numbers of little crustaceans, little crabs, almost microscopic, very small, and very abundant, and for a time these crustaceans simply swarm in the waters and the herring feed upon them almost exclusively. These little crustaceans ferment quickly; they decay soon after having been eaten by the herring unless the herring continues to live and digest them. If the herring is caught and killed with its stomach full of red feed, then that red feed ferments and, of course, the bacteria spread from it to the tissues of the herring and the herring is rendered unfit for food.

Therefore the red-feed question is a question with the Passamaquoddy herring fishermen just as it is or may become in Alaska. On the Atlantic coast it gives rise to quite a fight between two classes of fishermen in the herring fishery in Maine. The seine fishermen claim that the traps in Maine are very destructive to the herring fishery, and therefore they want them abolished. The trap fishermen reply by saying that the trap is really the best way to catch herring, because it holds them alive until they can be utilized, whereas the seine kills them at once, and if they are caught at the time they are feeding upon the red feed the seine-caught herring soon deteriorate, which is true; but the trap-caught herring remain in the trap until needed, and during the time that they are held there they are barred from eating other food, or any food, and they digest the food which they have already eaten, so that when taken out of the trap they are good for canning or for putting up as food.

In Maine, New Brunswick, and Nova Scotia the herring is used in three principal ways. By far the most important of the three is as sardines. The herring are put up in two classes of sardines. Those that are quite small are put up in oil and they make the highest grade of sardine that is made in this country. Those that are too large to put into the ordinary sardine can are cut. They take off not only the head but a large part of the lower end of the fish, and leave just a sufficient length of the body to be put into the can to make it of sardine length. These pieces are packed in sardine boxes of the ordinary size, with mustard, and they put in as much mustard as their consciences will permit them to put in, as mustard costs less than the fish. They put upon the market these two kinds of sardines, in oil and in mustard, both excellent food articles. I know they are able to utilize herring of various sizes, from small up to a considerable size, by cutting off only the necessary portions of the head and tail. Now, the larger herring are used in the other two ways—smoked or salted, and considerable quantities are put up in each of those ways.

The Pacific coast herring while it is different species from the Atlantic herring is such a closely related species that we would suppose they could be utilized in the same ways that the Atlantic herring are utilized; but before anyone can make any positive statement upon the question experiments would have to be tried over and over again to demonstrate the fact; for because two species are closely

related it does not necessarily follow that you can do with one all that you can do with the other.

The CHAIRMAN. What are the main differences between these two classes of fish?

Dr. EVERMANN. The differences are technical—the size of the mouth, the number of scales that you can count from the gills back to the base of the tail in a longitudinal series. There is a slight difference in the relative length, depth, and so on.

The CHAIRMAN. Then the differences do not indicate very much as to whether or not the fish can be successfully put up?

Dr. EVERMANN. Not at all; no, sir. However, as I was saying, because two species are closely related it does not necessarily follow that they would be equally valuable or could be used in the same way. The dog salmon and the sockeye salmon are very closely related species, but there is a great difference in their market value. The shad and the Potomac herring are closely related species, but there is a vast difference in their food values.

The Pacific herring is closely related to the Atlantic herring; they are so much alike that they can not be told apart when eaten fresh. I have eaten both of them fresh; I feel sure that experiments would demonstrate that the Pacific herring would make an excellent sardine.

The CHAIRMAN. Can you tell any difference in the taste?

Dr. EVERMANN. I can not recall that I noticed any difference. Of course, I did not eat the two at the same time. I ate one in Alaska and the other over at Eastport, Me., but they are both splendid fish—splendid pan fish.

If experiments could be tried, or if we could induce somebody to make those experiments, or if the Government would provide an experiment station where we could experiment in making sardines and other products out of the Pacific coast herring, I feel very hopeful that good results could be obtained.

Now, as to smoking and salting: The salting has already been tried, and it can be successfully done in Alaska. Whether smoking can be done or not I do not know, but I see no reason why it could not be possible. Experiments would be necessary in order to demonstrate other possible uses to which herring could be put, and I think they are many.

I might repeat that, so far as the Bureau of Fisheries knows, there has been no depletion of the Pacific herring, and it is quite true that so far as the operations of the Killisnoo establishment are concerned they have been confined within a relatively small area, so far as all Alaska is concerned. As to Prof. Huxley's statement regarding the impossibility of man diminishing the supply of any sea fish, I must say that I am not ready to subscribe to it. It certainly is much more difficult to deplete the supply of a purely ocean fish than it is to deplete the supply of a lake or river spawning fish, such as salmon or shad, which come into fresh water to spawn, because man can get at the spawning beds and the fish are caught as they come up the stream, whereas with the salt-water spawning fish that can not be done.

The CHAIRMAN. Have any complaints come to your office that the supply of herring in this Killisnoo locality has been diminished by this plant?

Dr. EVERMANN. A great many complaints have come to the Bureau of Fisheries from Ketchikan, Juneau, and perhaps other places, but chiefly from those two places, and I suppose that there is some justice in some of those complaints at least, particularly those coming from about Ketchikan. I am inclined to think that those at Juneau are simply the reecho of complaints made some place else.

The CHAIRMAN. Why do you think the Ketchikan complaints have some just foundation?

Dr. EVERMANN. The schools of king salmon have their feeding grounds around about Ketchikan, and the king salmon follow up the schools of herring and feed upon them. I can easily believe that the herring fishery might be prosecuted so vigorously and persistently as to diminish the school of herring, upon which the king salmon in the Ketchikan region depend, and that, of course, would affect more or less seriously the Ketchikan king-salmon fishery, and that is the fishery which has in recent years developed most considerably. It is a very important fishery, as I understand it, for catching king salmon by trolling practically every month in the year. Is not that so, Mr. Bower?

Mr. BOWER. Yes, sir.

Dr. EVERMANN. Ketchikan is near enough to Killisnoo to be within the sphere of its influence.

The CHAIRMAN. When did these complaints first begin to come to the department, if you remember?

Dr. EVERMANN. I can not say positively, but I should say at least three or four years ago. It may be even longer ago than that.

The CHAIRMAN. My recollection, from Mr. Snow's statement, is that their really large catch has only been within the last three or four years.

Dr. EVERMANN. That is at Killisnoo.

The CHAIRMAN. Yes.

Dr. EVERMANN. Yes; according to the report just read, the largest catch was in 1911. But I should say that these complaints are coincident with the development of the king salmon fishery in the Ketchikan region and the development of the halibut fishery in southeast Alaska.

More and more herring will be demanded by the halibut fishery for bait and the king salmon fishery at Ketchikan will go on developing until it reaches that point where the number of individuals engaged in it cease to make an adequate profit, and then it will decline, of course. But that the catch of herring by the Killisnoo plant will seriously affect the species of herring in all Alaska is improbable.

A great deal has been said about the higher uses of fish and lower uses—that is to say, that a fish which is an article demanded for food should not be used for any other purpose. I will agree with that to this extent; that if the use of the article for any purpose other than for food results in anybody going without food and depriving those who want food of that product then that use should be restricted; but there is no evidence of that kind regarding the herring of the Atlantic or the Pacific.

The CHAIRMAN. Do the herring die soon after they reach maturity?

Dr. EVERMANN. No, sir. They are quite unlike the salmon in that respect. They go on and live for several years and spawn several different seasons.

The CHAIRMAN. How large do they get?

Dr. EVERMANN. A 10-inch herring is a pretty good-sized herring. In one of my reports I recorded my measurements of quite a number. The average of 71 examples taken at Uyak was 11.67 inches.

The CHAIRMAN. When they get to be 10 or 12 inches in length, do they stop growing?

Dr. EVERMANN. I think not. I think they go on growing as long as they live, but grow less each year as they get older than they did in the earlier years.

The CHAIRMAN. What is about the maximum size?

Dr. EVERMANN. Speaking from memory entirely, I think about 14 or 16 inches is the largest I ever measured in Alaska.

Mr. MOSER. I was always under the impression that there were two species of herring in Alaska, for the reason that the herring we usually get in southeastern Alaska are very small compared with those to the westward. The herring in the neighborhood of Karluk are very large. A few kits are put up there by the superintendent for his own use, and some are brought to San Francisco for the officers of the association. These herring are as large as mackerel and very fine, and they occur in abundance. They run from 15 to 16 inches in length.

Dr. EVERMANN. The Killisnoo herring are smaller.

Mr. MOSER. As I say, I have always thought there were two distinct species.

Dr. EVERMANN. I know those herring at Uyak. In 1903 I was there and compared them with various herring in southeastern Alaska. So far as I was able to discover, there is only the one species, and it may well be that the herring in the Killisnoo region are smaller than the herring farther north, because of the fact that the big ones are caught off at Killisnoo.

The CHAIRMAN. Is there anything further you would like to state, Dr. Evermann, in connection with the herring fishery?

Dr. EVERMANN. No; I think not.

Mr. WICKERSHAM. Mr. Chairman, I have nothing to add except that I have read the amendment proposed by you for the establishment of a fishery experiment station in Alaska, and I most earnestly urge that you get favorable action on the amendment. I think it would be a very great benefit to the fisheries of Alaska, and is very much needed up there. I think that is all I care to say.

The CHAIRMAN. Then we will adjourn. I am very grateful to you, gentlemen, for the patience you have manifested in waiting so long to get these hearings concluded. We have pushed them along just as fast as we could.

Mr. BROWNE. It makes a valuable contribution, Senator, to the subject of salmon fisheries.

Mr. DORR. We are all very grateful to the committee for having been so patient with us.

Thereupon, at 9.25 o'clock p. m., the subcommittee adjourned to meet at the call of the Chair.

FRIDAY, JUNE 28, 1912.

COMMITTEE ON FISHERIES,
UNITED STATES SENATE,
Washington, D. C.

The subcommittee met at 10 o'clock a. m.

Present: Senators Jones (chairman), Bourne, and Overman.

Also appeared Hon. Knute Nelson, United States Senator from Minnesota, and Mr. J. F. Moser.

**STATEMENT OF HON. KNUTE NELSON, UNITED STATES SENATOR
FROM MINNESOTA.**

Senator NELSON. In 1904 I was a member of the subcommittee of the Committee on Territories sent out to investigate conditions in Alaska. We were nearly two months on the trip. The subcommittee consisted of Senator Dillingham, as chairman; Senator Patterson, of Colorado; Senator Burnham, of New Hampshire; and myself. We went up the inland passage from Seattle to Skagway, and from there over the White Pass Road down to the head of navigation of the Yukon at White Horse, on one of the tributaries of the Yukon, which, I believe, is called Thirty Mile River. From there we took a steamboat and went down through Thirty Mile River to Lake Lebarge and finally into the Yukon River. The stream is not the Yukon proper until Pelly River unites with it at a point above Fort Selkirk, an old Hudson Bay trading station, the name of which for the moment has escaped me.

From there we went to Dawson. We stayed in Dawson a short time, and then we went down to Eagle, the first station across the boundary line within our territorial limits. It is about 12 miles west of the boundary line between our country and the Yukon territory, or the district of Yukon. We stopped at Eagle several days. At that time there was a military post there, which I understand has since been abandoned. I went out with some of the officers of the post some 25 or 30 miles on horseback and visited some mining claims on Mission Creek. I was the only member of the party who made that trip.

From Eagle we went down the Yukon to a place called Rampart, which is a little way above the mouth of the Tanana. We stayed there nearly a week waiting for transportation farther down the river. I visited the country there and went across the river at Rampart. Rampart is on the left bank, or the south bank, of the Yukon, and we went across to a place where the Government had a small agricultural experimental station. Then we went down the Yukon to St. Michael, stopping at Holy Cross and other places above. We stayed a while at St. Michael, and then we went over to Nome and visited the mines back of Nome. Then we came back from there on a revenue cutter, which met us at St. Michael and carried us to the Pribilof Islands. We spent some time there, and then sailed to Dutch Harbor, Unalaska, and after spending some time there we went up by way of Kodiak Island. We visited a great cannery there on the southwest side of Kodiak Island at Karluk, and from there we went around the straits between Afognak Island and Kodiak Island to the village of Kodiak. There has been some dispute as to the correct

spelling of the name Kodiak. By some it is held to be K-o-d-i-a-k, and by others K-a-d-i-a-k. The old name was St. Paul, and it was the Russian capital. From there we went up to Valdez and spent some time there.

At Valdez I went out with a party of officers of the revenue cutter and a friend of mine I found there. We went on horseback up through the Keystone Canyon to the foot of Thompsons Pass. The men with me would not go any farther, and so we turned back.

From Valdez we went back to Sitka, and from Sitka, after staying there a while, we went back to Juneau again, and then from Juneau back home over the same route we went out on.

I took great pains at all these places, especially at Eagle and at Rampart and St. Michael and Nome and Valdez, to investigate local conditions. At Rampart, while we were there a week, Judge Wickersham was holding court, and men where there from all parts of the Territory to attend court as grand and petit jurymen and court commissioners, and we had an opportunity to interview and see a great many people.

I became impressed with the idea that what Alaska needed above everything else was transportation facilities. There were no wagon roads of any kind. There was a little patch of a road at Sitka about a mile or so, but aside from that there were not any roads anywhere in Alaska. The miners in some instances had made pack trails where they had found what they called new strikes, but transportation was exceedingly expensive, and no placer mine could be worked unless it was exceedingly rich, on account of the cost of transportation. I do not recollect the exact figures, but at Rampart I was particularly impressed with the cost of carrying provisions and other things up on the Minook River and Little Minook River, back of Rampart, where the mines are. The prices were frightful, and, as I say, it seemed to me that what Alaska needed first of all at that time was some help in the way of securing roads and trails and transportation facilities. It seemed to me that that was the most urgent need of all.

I was also somewhat familiar with legislation pertaining to Alaska. By the act of March 3, 1899, a system of license and occupation taxes had been enacted for Alaska, which was the only system of taxation prevailing then and prevailing now, aside from taxes levied in incorporated towns. I will read the schedule of taxes here [reading]:

SEC. 460. That any person or persons, corporation or company prosecuting or attempting to prosecute any of the following lines of business within the District of Alaska shall first apply for and obtain license so to do from a district court or a subdivision thereof in said District, and pay for said license for the respective lines of business and trade as follows, to wit:

Abstract offices, fifty dollars per annum.

Banks, two hundred and fifty dollars per annum.

Boarding houses having accommodations for ten or more guests, twenty-five dollars per annum.

Brokers (money, bill, note, and stock), one hundred dollars per annum.

Billiard rooms, twenty-five dollars per table per annum.

Bowling alleys, twenty-five dollars per annum.

Breweries, five hundred dollars per annum.

Bottling works, two hundred dollars per annum.

Cigar manufacturers, twenty-five dollars per annum.

Cigar store or stand, twenty-five dollars per annum.

Drug stores, fifty dollars per annum.

Public docks, wharves, and warehouses, one hundred dollars per annum.

Electric light plants, furnishing light or power for sale, three hundred dollars per annum.

Fisheries: Salmon canneries, four cents per case; salmon salteries, ten cents per barrel; fish-oil works, ten cents per barrel; fertilizer works, twenty cents per ton.

Freight and passenger transportation lines, propelled by mechanical power on inland waters, one dollar per ton per annum on net tonnage, customhouse measurement, of each vessel.

Gas plants, for heat or light for sale, three hundred dollars per annum.

Hotels, fifty dollars per annum.

Halls, public, ten dollars per annum.

Insurance agents and brokers, twenty-five dollars per annum.

Jewelers, twenty-five dollars per annum.

Mines: Quartz mills, three dollars per stamp per year.

For mercantile establishments a graduated tax is provided on the amount of business done. I believe there are some four grades or classes.

Mercantile establishments: Doing a business of one hundred thousand dollars per annum, five hundred dollars per annum; doing a business of seventy-five thousand dollars per annum, three hundred and seventy-five dollars per annum; doing a business of fifty thousand dollars per annum, two hundred and fifty dollars per annum; doing a business of twenty-five thousand dollars per annum, one hundred and twenty-five dollars per annum; doing a business of ten thousand dollars per annum, fifty dollars per annum; doing a business of under ten thousand dollars per annum, twenty-five dollars per annum; doing a business of under four thousand dollars per annum, ten dollars per annum.

Meat markets, twenty dollars per annum.

Manufactories not enumerated herein, same classification and license charges as mercantile establishments.

Physicians, itinerant, fifty dollars per annum.

Planing mills, fifty dollars per annum when not part of a sawmill.

Pawnbrokers, three hundred dollars per annum.

Peddlers, twenty-five dollars per annum.

Patent-medicine venders (not regular druggists), fifty dollars per annum.

Railroads, one hundred dollars per mile per annum on each mile operated.

Restaurants, twenty-five dollars per annum.

Real-estate dealers and brokers, fifty dollars per annum.

Ships and shipping: Ocean and coastwise vessels doing local business for hire plying in Alaskan waters, one dollar per ton per annum, on net tonnage, customhouse measurement of each vessel.

Sawmills, ten cents per thousand feet on the lumber sawed.

Steam ferries, one hundred dollars per year.

Toll road or trail, two hundred dollars per annum.

Tobacconists, twenty-five dollars per annum.

Tramways, ten dollars for each mile or fraction thereof, per annum.

Transfer companies, fifty dollars per annum.

Taxidermists, twenty dollars per annum.

Theaters, one hundred dollars per annum.

Waterworks furnishing water for sale, fifty dollars per annum.

These are all taxes per annum. At the time this act was passed and for many years afterwards all these taxes went directly into the Treasury of the United States, into the common fund, and the people of Alaska got no direct benefit from it. Along between 1900 and 1903 a law was enacted—I can furnish the committee a copy of it, if desired—giving to the incorporated towns in Alaska—there were some 8 or 9 of them at that time, and there are about 10 or 12 now—these occupation taxes collected within the incorporated towns for

their own use. This was the condition when I came back from Alaska—all these occupation taxes went into the Treasury of the United States except what was collected in the incorporated towns. After giving careful consideration to the subject it seemed to me that the fair thing to do would be to have these occupation and license taxes go to the people of Alaska to be devoted to the construction of roads, bridges, and trails, and for the purpose of establishing a system of schools.

There were no schools anywhere in Alaska for white children outside of incorporated towns and no authority under which schools could be organized outside of the incorporated towns. In view of these facts I prepared a bill and succeeded in passing it, to carry out my ideas of relief. It became a law on the 27th of January, 1905, and I will just read you the beginning of it, which will show you the object I sought to accomplish.

That all moneys derived from and collected for liquor licenses, occupation, or trade licenses outside of the incorporated towns in the District of Alaska shall be deposited in the Treasury Department of the United States, there to remain as a separate and distinct fund, to be known as the "Alaska fund," and to be wholly devoted to the purposes hereinafter stated in the District of Alaska.

So that it becomes a separate fund; all of these taxes outside of the incorporated towns become a separate fund in the Treasury, known as the Alaska fund.

Then the law further provides:

One-fourth of said fund, or so much thereof as may be necessary, shall be devoted to the establishment and maintenance of public schools in said district; five per centum of said fund shall be devoted to the care and maintenance of insane persons in said district, or so much of said five per centum as may be needed; and all the residue of said fund shall be devoted to the construction and maintenance of wagon roads, bridges, and trails in said district.

Now, what puzzled me at that time in drafting the bill was to get the machinery for doing this work of building roads and trails. They had no township government there—no county government—nothing but mining camps, and the whole administration was in the judges of the district court and the court commissioners. You understand the system thoroughly up there, I suppose. They have four judicial divisions and each division is divided into commissioner districts, and the judges appoint commissioners there who are not only court commissioners in the ordinary sense, but they are ex officio justices of the peace, ex officio notaries public, ex officio registers and recorders of deeds, ex officio coroners, and ex officio about everything else. They perform all the duties done by county officers in our Western States.

After considering the situation for a long time I finally came to the conclusion that the best way to proceed was to do as is done in the case of river and harbor improvements; that is, to leave it to the officers of the Army. Therefore I provided in the bill for a board of road commissioners to consist of three Army officers, one to be an engineer officer of the Army, and two to be officers of the military stations in Alaska. That board has had charge of this work ever since.

This bill also provided a method for organizing school districts in Alaska, how the officers were to be selected, and so on. It also pro-

vided for taking care of the insane. They had no regular system by which an insane person could be committed to the insane asylum.

It was practically left to the governor and it took from six months to a year to send a man to the asylum. This law also provided for a method for investigating cases of that kind and committing insane persons to asylums.

I have stated these things in a preliminary way and in order to lay a foundation for what I am about to say further. I can not give the exact figures, but the funds collected amounted to in the neighborhood of \$200,000 a year out of this license and occupation tax, which was devoted to building roads and trails and schools and so forth.

The CHAIRMAN. We have a statement from the Treasury Department giving the amount.

Senator NELSON. How far back does it go?

The CHAIRMAN. For five years.

Senator NELSON. You have no figures prior to that?

The CHAIRMAN. No; we did not go back of that.

Senator NELSON. I wish you would go back of that, and I will tell you why later.

The President appointed the board, and the head of the board was Maj. Richardson, a very efficient man. As I have stated, the income at that time was approximately \$200,000 per annum. Maj. Richardson and I would get the Secretary of War every year to make recommendations for extra appropriations, and we got considerable every year. I do not know how much we have succeeded in obtaining in all; I have not figured it up lately; but an unfortunate thing happened. Lieut. Jarvis, who had been in the Government service in Alaska, resigned, and was employed by some of the corporations engaged in the fishing industry. He came to Washington and lobbied a bill through Congress by which the packers got rid of all that cannery tax, and that practically depleted the fund about one-third. The Alaska road fund lost about one-third by that unfortunate legislation.

The CHAIRMAN. That was the act allowing the packers rebates for fry liberated from their hatcheries?

Senator NELSON. Yes; instead of paying the tax the employees of the company could simply make affidavits and turn them in that they had liberated so many fish fry, for which they were credited, instead of paying the money. I remember getting a letter from one of the clerks of the court up there to the effect that after the law was passed he said he was much surprised that instead of the money the packers turned in these affidavits and that robbed the fund. I can not give the exact figures, but I looked it up at one time, and it is my recollection that that legislation robbed the Alaska fund of at least one-third, and, to my mind, it was a most vicious piece of legislation.

I think the people of Alaska were entitled to that tax and that they ought to have had it. I knew that Jarvis was here lobbying for the passage of the measure, but I was very busy with other things. I tried to keep track of the matter, and a Senator who was on the committee promised me to look after it and to see that the bill did not go through. I relied on him, but I was disappointed. My interest was wholly in behalf of the people of Alaska. I became interested

in their welfare, and I wanted them to get the full benefit of that fund, and I looked upon that scheme as robbing them of that fund. In this bill the same vicious system is continued, and the vice of the whole thing is that there is no Government supervision.

The CHAIRMAN. That is done away with after 1913, Senator, by this bill. We do away with the rebate after the year 1913. The last clause in section 2, page 5, is as follows:

or in any case after June thirtieth, nineteen hundred and thirteen.

Senator NELSON. That simply gives them another year. I am very glad, indeed, that the bill proposes to do away with this vicious rebate system. I wish you would have your clerk send to the department and get the income from this tax system from the year of the passage of the act of January 27, 1905, until the present time.

The CHAIRMAN. I will get it from the time the act first went into effect.

Senator NELSON. After the Jarvis law, as I call it, was passed you can see what a big decrease there was. The Alaska fund would have been greatly crippled, but Maj. Richardson came down here every winter and he seemed to be very strong with the department and he would always get the Secretary of War to recommend extra appropriations and that helped out. He and I would always appear before the Committee on Appropriations to secure additional appropriations.

Now, I have no personal interest, you understand, of any kind in Alaska. All I am interested in is the welfare of the people there.

The CHAIRMAN. You have done more than anybody else to promote the welfare of the people of Alaska.

Senator NELSON. I drew this bill and I think this law has done more good than any legislation they have had there. You can perceive the advantage of having an Army board there. In the first place they receive their salaries as Army officers and no salary comes out of the fund. In the second place they are removed to a large extent from the local influence that would be pulling and hauling one way and another. They act independently and we know how efficient they have been in the matter of river and harbor improvements and, in my judgment, they have done as well in Alaska.

I hope you will retain the provision abolishing this rebate system after 1913. We can stand it another year, but do not give them any more. I think the Government itself should replenish the supply of salmon there by establishing its own hatcheries and liberating its own fry.

The CHAIRMAN. That is, you mean the Government ought to maintain its own hatcheries in Alaska?

Senator NELSON. The Government ought to maintain its own hatcheries there instead of leaving it as it is now, in the hands of private parties.

The CHAIRMAN. That is my judgment.

Senator NELSON. The present system leads to corruption. I do not say that the officers of those companies are worse than anybody else, but we all know how it is in the matter of taxes and assessments. A man will be honest in everything else, but when the assessor comes around he is apt to go as low as possible. I am glad you limit the time in the bill.

I now come to what I am directly interested in, because of a Minnesota company. You will find the provision on page 2 of the bill, levying a tax of 12 cents per barrel on whale oil and 50 cents per ton on fertilizers made from whales, page 2, line 12.

Now, to explain. A company was incorporated last year in Minneapolis called the Alaska Whaling Co. They have had two vessels built at Seattle.

The CHAIRMAN. That is the company known as the Lind Co.?

Senator NELSON. Gov. Lind is a stockholder and his law firm is counsel for the company. This company has its headquarters at Minneapolis. They have two whaling vessels, built at Seattle. Most of the stockholders are Norwegians—Minneapolis Norwegians—of Norwegian birth or descent.

The old system of whaling, as you know, especially in the Arctic regions, was simply to catch a whale and utilize the bones, throwing all the rest of the carcass away. Then afterwards the carcass was utilized for oil as well as the bone. Lately they have commenced to make fertilizer from the waste product of the whale. In Norway they have carried on for years a system of whaling by which they utilize everything in the carcass of the whale. They utilize the bones; they utilize the oil; and then they take all the refuse and make fertilizer out of it. In order to do this and utilize the entire carcass of the whale it is necessary to have a floating cookery, so called. They haul the carcass up into the cookery and work it up into oil, fertilizer, and whatever else it may be used for.

This company for which I speak—the Alaska Whaling Co.—has had built two vessels in Seattle and they own one of these cookerries. The Treasury Department had the question presented to it as to whether or not such a vessel not engaged in transportation or in anything else except this cookery business would require an American register. The department here held that it would not. They are about to establish a station over on the Alaska Peninsula somewhere north of Dutch Harbor, somewhere near Shelikof Strait—I can not say at what point. They propose to establish a local station and then they propose to fish in the Arctic Sea. As you know, the limit of the territorial jurisdiction of the United States extends 3 marine leagues from shore. Beyond that the waters are international.

This whaling company intends to fish both in the Arctic and the Pacific Oceans. Of course, when they are within the 3-mile limit they are within Alaskan waters, but when they are outside of that limit they are in international waters. This bill proposes to levy a tax on the oil, and that is objected to for various reasons. Perhaps I can state those reasons more clearly by reading from this letter from Mr. Ueland, Gov. Lind's partner and a director in the Alaska Whaling Co. [reading]:

Section 1 makes whale oil manufactured within the Territory of Alaska subject to a license tax of 12 cents per barrel. If enacted into law this would be ambiguous as to its meaning and difficult and expensive as to its administration. Our company will operate to a considerable extent in the waters of Alaska, but, like foreign whalers, will also operate largely on the high seas. It will operate with a floating cookery on which the whale oil will be manufactured. The cookery may sometimes be within three marine leagues of shore and sometimes beyond, and it will be practically impossible to determine what oil is manufactured within the Territory of Alaska.

You can see that point. A whaling vessel may catch a whale within the 3-mile limit or the 3 marine leagues or geographical miles, or they may catch the whale outside of that limit. They can not very well keep the two catches separate. It is necessary to put the product together, and you can see what a contention and what a conflict there will be in order to determine whether the oil is the product of fish caught in Alaskan waters or not [reading]:

Should the bill become law, the result would probably be that the Government would make our company and other American whalers pay a heavy tax on its high-sea whaling—a tax from which the whalers of other nations are exempt.

It would lead to this, that vessels of the United States which catch whales on the high seas would be taxed.

The CHAIRMAN. Because the tax would be on the whole output.

Senator NELSON. It would tax the whole output and you can see that they would be at a disadvantage, especially as against the Canadian whalers, and it would deprive them of the advantages of the tariff system. You know under our last tariff law there is a duty of 8 cents a gallon on whale oil. They would be at a disadvantage against the Canadian whalers [reading]:

The Canadians, the Japanese, and the Norwegians are operating on a steadily increasing scale in the north Pacific. Boats and other equipments cost American whalers much more than they cost the foreigners. We are credibly informed that the two whaling boats which this company is now having built at Seattle by J. P. Duthie & Co., at a cost of about \$115,000, would cost a Norwegian whaler less than half that sum.

This letter was written last winter. The boats which he mentions are now ready and I think are at work [reading]:

Our navigation laws and labor conditions also make the operating expenses much higher for Americans than for Europeans or the Japanese. In so far, therefore, as the American whaler may operate on the high seas in competition with whalers of all other nations, a license tax on the oil will be a great handicap, and a very serious handicap at that, considering the other disadvantages under which he is laboring.

To avoid a complicated and expensive administration of the license-tax law for Alaska, and as a matter of wise policy, we think the words "and whale oil," in line 12, page 2, of the bill should be stricken out. If retained, the rate of "12 cents per barrel" should certainly be materially reduced.

Second. Section 1 makes fertilizer manufactured from whale carcasses "within the Territory of Alaska" subject to a license tax of 50 cents per ton. The difficulty of distinguishing between whale oil manufactured on the ocean, or from whales taken on the ocean, and whale oil manufactured "within the Territory of Alaska," or from whales taken in the waters of Alaska, will also apply to fertilizer, as that product will also be made on a floating cookery. But there are additional reasons why there should be no tax on fertilizer. Article 581 of the act of August 5, 1909, puts the product on the free list. Canadian and other foreign whalers would therefore be able to undersell the American whalers in the American market by the amount of the tax.

Foreign countries could bring their fertilizers into our country free of duty, whereas our people would have to pay this tax of 50 cents per ton, and you can see that would work a discrimination. [Reading:]

To tax the fertilizer would, moreover, be a very unwise economic policy.

Fertilizers ought to be as cheap as possible. [Reading:]

Our company has expended not less than \$100,000 with a view to utilizing for fertilizer what is left of the whale carcass after the oil and bone are secured. In whale fishing that part of the carcass has heretofore been left adrift.

That is, heretofore they have simply utilized the bone and the oil and left the rest of the carcass go. [Reading:]

It has been treated as offal and waste. Now the attempt to utilize that part of the carcass for the benefit of agriculture should certainly not be discouraged by a tax.

Now, at the end of his letter—and I submit that he is very fair—he makes this suggestion. If you want to tax these people his suggestion is a very reasonable one, and if you insist on taxing them this suggestion is a good one. He says [reading]:

If the whale-fishing industry is to be taxed in so far as it may be carried on in Alaska, we believe that it should be by way of an annual license fee on the vessels engaged in whale fishing in the waters of Alaska; a license fee of, say, \$100. This would make the law free from ambiguity and easy and inexpensive of administration.

The CHAIRMAN. That was suggested by Gov. Lind in a conversation I had with him.

Senator NELSON. Now, that would be a very fair thing—simply pay a license tax like these other institutions for fishing in Alaskan waters. Then it would leave them as to the oil and the fertilizer free of the tax, and you can see how difficult it would be, as I say, to determine what portion of the product had been obtained outside of the Territorial jurisdiction of Alaska. Personally, I should judge that the bulk of the whales would be caught outside of the Territorial limits of Alaska, both in the Arctic and in the Pacific Oceans. To make them pay that tax would place them at a disadvantage as against the Canadian fishermen, and it would be unworkable, as you can see.

The CHAIRMAN. Those objections seem to me to be good.

Senator NELSON. As I say, if you want to tax that industry, the suggestion contained in the letter is fair and reasonable, compared with this schedule of taxes to which I have called your attention here and which I read, and Alaska would get the benefit of that tax. That would go into the Alaska fund and they have no objection to that.

The CHAIRMAN. I will have the letter you sent me put into the record.

Senator NELSON. I think that is all. I would suggest that you strike out the words in line 12, page 2 of the bill, "and whale oil," and in line 14, after the word "sharks," insert the words "or whales." It would read then, with these two amendments:

Fish oil, twelve cents per barrel; and fertilizer, fifty cents per ton, except when made from sharks or whales * * *.

I would like to have the bill amended in that way, and then if you want to put in the \$100 license tax I certainly have no objection, and I think that would be a good solution of the matter.

The CHAIRMAN. That is my personal view, too, I would say, Senator. I have no doubt the other members of the subcommittee will feel very much the same way.

The letter from the Alaska Whaling Co. follows:

ALASKA WHALING Co.,
Minneapolis, Minn., April 18, 1912.

Senator KNUTE NELSON,
Washington, D. C.

DEAR SIR: In connection with the recent valuable assistance which you rendered this company, you know in a general way about its organization, its building of boats for the whale fishery, its plans and equipments for manufacturing into fertilizer what remains of the whale carcass after extracting the oil and securing the valuable bone.

The company's attention has been called to Senate bill 5856, introduced March 15, 1912, by Senator Jones, "to amend an act for the protection and regulation of the fisheries of Alaska," and referred to the Committee on Fisheries. The company will appreciate very much if you will bring to the attention of that committee the following objections to the bill:

First. Section 1 makes whale oil manufactured "within the Territory of Alaska" subject to a license tax of 12 cents per barrel. If enacted into law, this would be ambiguous as to its meaning and difficult and expensive as to its administration. Our company will operate to a considerable extent in the waters of Alaska, but, like foreign whalers, will also operate largely on the high seas. It will operate with a floating cookery on which the whale oil will be manufactured. The cookery may sometimes be within 3 marine leagues of shore and sometimes beyond, and it will be practically impossible to determine what oil is manufactured "within the Territory of Alaska." Should the bill become law, the result would probably be that the Government would make our company and other American whalers pay a heavy tax on its high-sea whaling—a tax from which the whalers of other nations are exempt. The Canadians, the Japanese, and the Norwegians are operating on a steady increasing scale in the North Pacific. Boats and other equipments cost American whalers much more than they cost the foreigners. We are creditably informed that the two whaling boats which this company is now having built at Seattle by J. P. Duthie & Co., at a cost of about \$115,000, would cost a Norwegian whaler less than half that sum. Our navigation laws and labor conditions also make the operating expenses much higher for Americans than for Europeans and the Japanese. In so far, therefore, as the American whaler may operate on the high seas in competition with whalers of all other nations, a license tax on the oil will be a great handicap, and a very serious handicap at that, considering the other disadvantages under which he is laboring.

To avoid a complicated and expensive administration of the license-tax law for Alaska and as a matter of wise policy we think the words "and whale oil," in line 12, page 2, of the bill should be stricken out. If retained, the rate of "12 cents per barrel" should certainly be materially reduced.

Second. Section 1 makes fertilizer manufactured from whale carcasses "within the Territory of Alaska" subject to a license tax of 50 cents per ton. The difficulty of distinguishing between whale oil manufactured on the ocean or from whales taken on the ocean, and whale oil manufactured "within the Territory of Alaska," or from whales taken in the waters of Alaska, will also apply to fertilizer, as that product will also be made on a floating cookery. But there are additional reasons why there should be no tax on fertilizer. Article 581 of the act of August 5, 1909, puts the product on the free list. Canadian and other foreign whalers would, therefore, be able to undersell the American whalers in the American market by the amount of the tax. To tax the fertilizer would, moreover, be a very unwise economic policy. Our company has expended not less than \$100,000 with a view to utilizing for fertilizer what is left of the whale carcass after the oil and bone are secured. In whale fishing that part of the carcass has heretofore been left adrift. It has been treated as offal and waste. Now the attempt to utilize that part of the carcass for the benefit of agriculture should certainly not be discouraged by a tax. On the contrary, every effort to avoid waste and to conserve and enrich the productiveness of the soil should be encouraged.

We suggest that in order not to subject fertilizer from whale carcasses to the proposed license tax, the words of the bill be amended by inserting the words "or whales" after the word "sharks" in line 14, on page 2.

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If the whale-fishing industry is to be taxed in so far as it may be carried on in Alaska, we believe that it should be by way of an annual license fee on the vessels engaged in whale fishing in the waters of Alaska—a license fee of say \$100. This would make the law free from ambiguity and easy and inexpensive of administration.

Yours, very respectfully,

ALASKA WHALING Co.,
By A. UELAND, *Director*.

The statement from the Treasury Department relative to receipts on account of "Alaska fund" follows:

TREASURY DEPARTMENT,
OFFICE OF ASSISTANT SECRETARY,
Washington, June 29, 1912.

Hon. W. L. JONES,
United States Senate.

SIR: In reply to your communication of the 28th instant inquiring as to the amount of receipts on account of the "Alaska fund" since its establishment (Jan. 27, 1905) I have the honor to advise you as follows:

"Alaska fund" receipts.

Fiscal year:	
1905-----	\$40, 172. 23
1906-----	160, 660. 28
1907-----	164, 656. 14
1908-----	205, 773. 63
1909-----	155, 305. 26
1910-----	260, 040. 26
1911-----	175, 490. 59
1912 (11 months)-----	197, 311. 42
	<hr/>
	1, 359, 409. 81

Full returns for 1912 not received.

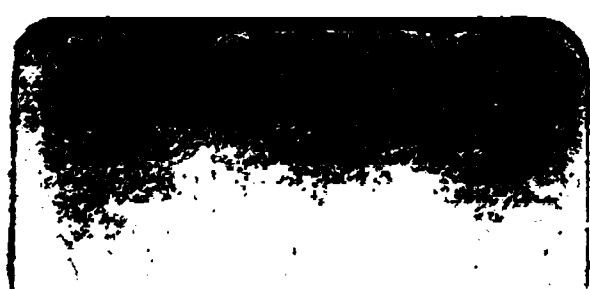
Respectfully,

C. PIATT ANDREW,
Assistant Secretary.

Thereupon, at 11 o'clock a. m., the subcommittee adjourned to meet at the call of Chair.



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